

MAR 3 1921

March 1921

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# THE NATION IN BUSINES

Must future citizens come  
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## —“to Judge Typewriters, ‘Compare the Work’”

After all, there is but one way to find out just why the Royal Typewriter is being accepted as the world's finest writing machine.

Test it! Try it out in your own office, on your own work and under your own supervision. The Royal never shows to such advantage as when judged by the standards of other machines. It saves time—the work is beautifully clear-cut. It relieves strain on the operator.

There is but one answer when you actually “compare the work”. ROYAL! New users of

Royal Typewriters express delight over the flowing, vibrationless carriage movement; the light touch; the smooth functioning of all those in-built, exclusive Royal devices which save the time and the nervous energy of the operator.

Try the Royal! Then decide whether or not you really can be satisfied with anything but the best.

ROYAL TYPEWRITER COMPANY, Inc.

Royal Typewriter Bldg., 364-366 Broadway, N. Y.

Branches and Agencies the World Over

**ROYAL**  
TYPEWRITERS

“Compare the Work”

## New Export Problems

Mere order-taking in foreign trade has had its day. Though American shipments of foods, merchandise and materials over-seas continue large, exporters in every line recognize that the turn in the tide has come.

In future, goods that go abroad must first be sold. Customers must be sought, studied, served. Markets must be developed and connections formed on a basis of information and analysis even more exact than those required in securing business in the past.

In making contacts with unfamiliar markets—in keeping touch with changing conditions—in carrying out the financial or shipping operations required in over-seas transactions—the Irving's Foreign Service and Foreign Trade Divisions may be able to supply you with just the information, counsel, or banking and commercial aid you need. For exporters—as well as importers—Irving service spans all seas.

## IRVING NATIONAL BANK

WOOLWORTH BUILDING, NEW YORK



The large photograph shows an Economy Portable Elevator installation (1500-lb. capacity) in the warehouse of Woodward, Wight & Co., New Orleans, La. The machine was originally purchased for handling coils of rope but was found so convenient for stacking kegs of nails, as shown, that it was transferred to the hardware department with the intention of ordering another machine for the rope coils.



The small photograph on the left is that of an Economy Portable Elevator purchased by the Crooks Terminal Warehouses, Chicago. It is here shown handling bags.

The photograph below shows the advantages of the Economy Storage Rack over the old method of piling barrels.



## The Height of Economy

IN STORAGE handling, height is economy. Attaining it with the labor of but *one man* is unquestionably the *height* of economy.

Of course, that requires an Economy Portable Elevator. One man, *unaided*, never could reach the ceiling at the aisles. Not even a *dozen* men could do that in most warehouses and storage rooms.

The Economy System makes it easy, even when the packages weigh two or three thousand pounds each.

In more than a hundred different lines of industry the Economy System is saving thousands—yes, millions—of dollars every year. There are cases on record where, by making use of the space formerly inaccessible, the necessity for *building additional warehouse facilities has been completely overcome*.

There are electric, compressed air and hand power

machines of various standard capacities for handling barrels, boxes, bags, bales, crates, drums, rolls of print paper or bulk merchandise; for loading and unloading freight cars and trucks; for installing overhead motors, machinery, heating systems; and for other, special uses.

There are also standardized steel racks for barrels, drums, tote boxes, carboys and other kinds of packages. These racks not only make every cubic foot of space usable but also give ready access to any package, though there be several tiers above it.

Almost every business has some need for Economy equipment. Economy Storage Engineers will be glad to render an opinion on the possibility of reaching the height of economy with your *present* facilities. No obligation is attached to your inquiry. Write on your business stationery for further information.

The ECONOMY  
SYSTEM

ECONOMY ENGINEERING COMPANY  
2659 West Van Buren Street, Chicago, U. S. A.  
BOSTON NEW YORK PHILADELPHIA DETROIT ATLANTA SAN FRANCISCO

How much space  
are YOU wasting?

# ECONOMY PORTABLE ELEVATORS and STORAGE RACKS

Charles E. Murnan, <i>Vice President</i>	United Drug Company
Roy W. Howard, <i>Chairman of the Board of Directors</i>	Scripps-McRae Newspaper
Stephen B. Mambert, <i>Vice President and Financial Director</i>	Thomas A. Edison Industries
John G. Wood, <i>President</i>	Midwest Engine Company
J. Roy Allen, <i>Vice President</i>	Mint Products Company, Inc.
D. J. Leary, <i>Treasurer</i>	Diamond Bottling Corporation
S. L. Metcalf, <i>President</i>	Better Brushes, Inc.



Norman W. Wilson,  
who became Vice-President  
of the Hammermill  
Paper Company at 29

## BEFORE 35 -

*Will you have the satisfaction of succeeding  
in early life or will you wait until later?*

THE letters of Norman W. Wilson show pretty clearly just what it is that the Alexander Hamilton Institute can do for a man.

To say that the Modern Business Course and Service made such a man would be absurd. The Hammermill Paper Company is one of the great companies of its kind; and Mr. Wilson was a marked man in the organization long before the Institute ever entered his life.

But because he had the vision that comes with an all-round knowledge of every department of business he was able to reach a high place in the business world at an age when most men are still gathering experience in the hard school of dull routine.

He became Vice-President at twenty-nine; and this is his tribute to the Modern Business Course and Service:

"Every moment's time I have devoted to it has been well rewarded. I want you to know what a high regard I have for the work you are doing and to know that I make it a point to encourage our people here to study your Course."

### **Another whose salary increased**

**400% in two years**

IN Hartford, Connecticut, S. L. Metcalf went to work with a big concern engaged in the manufacture of brushes. One

of his first steps was to enroll with the Institute. In a year he was made Sales Manager, and wrote to tell us of his success. Other months went by and this letter arrived:

"During the past two years my salary has increased more than 400%. This has been due to the rather remarkable increase our Company has had in sales. These sales are indirectly the result of the ideas I have received from your Course."

Mr. Metcalf is now the head of his own business as President of Better Brushes, Inc., at Palmer, Mass.

### **They saved the wasted years**

AT the top of this page are seven names, picked out of thousands. Names of men who have experienced the joy of succeeding while they are still young; who put their financial and business worries behind them early, and have before them a long period of enjoyment of the fruits of success.

If you have read the Alexander Hamilton Institute's advertisements carefully you have noted their freedom from exaggerated claims. The Institute promises to double no man's salary, nor to turn a failure into a success over night.

It says very simply just this:

As a lawyer who has the all-round knowledge of law, gained in a first-class law training, outstrips those who lack that training, so the man who has an all-round knowledge of all departments of modern business—of sales, merchandising, costs, accounting, advertising, factory and office management, corporation finance—outstrips the man who gets his training only by the slow processes of experience.

The Institute can and does shorten the path of men to the larger opportunities in business; it can and does save the years that so many men waste in dull routine. And in proof of this fact it cites the examples of the men quoted above, and of thousands of others of the same type.

### **"Forging Ahead in Business"**

IN this single month more men will enrol with the Institute than enrolled during the first full year of its existence. The knowledge of its training spreads fast; it has no need to argue or exert pressure. It asks only an opportunity to let you examine the full facts so that you can determine whether it is worth your while to shorten your path to success, as these other men have done. The facts, with the answers to all your questions, are contained in a 116-page book, "Forging Ahead in Business."

It is a valuable book, built out of eleven years experience in helping men to succeed. There is a copy for every thoughtful reader of this magazine; send for your copy today.

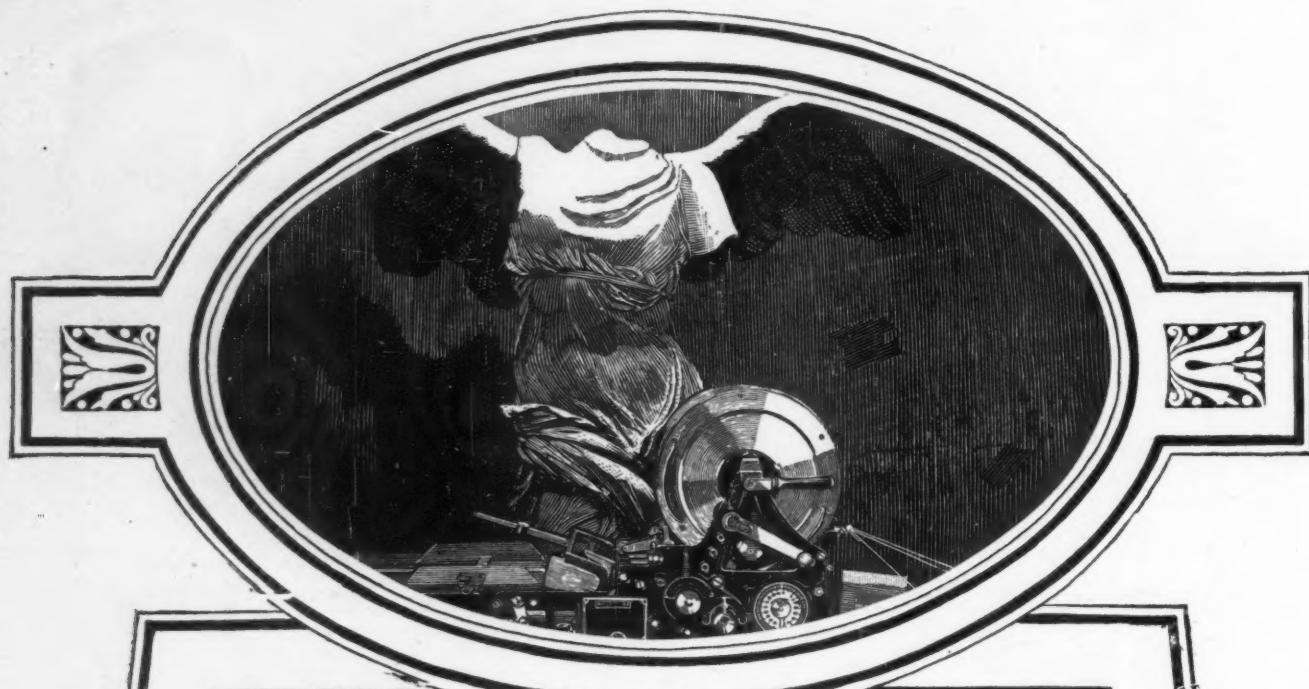
# Alexander Hamilton Institute

590 Astor Place, New York City

Canadian Address, C. P. R. Building, Toronto; Australian Address, 8a Castlereagh Street, Sydney

Copyright 1921, Alexander Hamilton Institute





*Victory* in the long race comes to those who best endure. More Mimeographs have been sold to the business and educational institutions of America than any other duplicating device. This unmatched popularity is due to the saving the Mimeograph effects—and to its remarkable efficiency. Five thousand exact reproductions of a letter, or other typewritten sheet, it delivers hourly, at almost negligible cost. Drawings, designs, plans, etc., it easily duplicates, at the same speed, on the same sheet and in the one operation. No exceptional skill required! Cleanly! Its work is done privately—and under immediate executive supervision. No other office device so greatly multiplies man-power, or works more needed economies. Catalog "N-2" gives all particulars. Get it today from A. B. Dick Company, Chicago—and New York.





## *Paper is part of the picture*

Some papers seem right for some advertising purposes and wrong for others.

This is true because Paper suggests definite ideas, atmospheres and impressions by means of its texture, color, weight, form and feel.

Thus a heavy, rough-textured STRATHMORE EXPRESSIVE PAPER suggests Ruggedness.

A fine-textured STRATHMORE EXPRESSIVE PAPER, Refinement or Elegance.

A mauve STRATHMORE EXPRESSIVE PAPER, Femininity.

A pale blue STRATHMORE EXPRESSIVE PAPER, Coolness.

STRATHMORE EXPRESSIVE PAPERS are offered in so great a diversity that you can easily select one that creates the correct "atmosphere" for any business or product.

The appropriate STRATHMORE PAPER reiterates and re-enforces every word you print upon it.

Your printer is the man to help you find the STRATHMORE PAPER that says your say.

In the meantime write for the Strathmore Demonstration Set. It tells the whole story of Expressive Advertising at a glance. STRATHMORE PAPER COMPANY, MITTINEAGUE, MASSACHUSETTS, U.S.A.

## *STRATHMORE* *Expressive Papers*



# New York Life Insurance Co.

(Incorporated under the laws of the State of New York.)

346 and 348 Broadway, New York, N. Y.

DARWIN P. KINGSLEY, President

## Balance Sheet, January 1, 1921

ASSETS	LIABILITIES
Real Estate.....	\$8,407,481.00
Loans on Mortgages.....	164,796,225.60
Loans on Policies.....	147,499,247.07
Loans on Collateral.....	6,565,500.00
Liberty Bonds and Victory Notes.....	109,722,115.37
Government, State, County and Municipal Bonds.....	141,539,552.50
Railroad Bonds.....	343,293,117.30
Miscellaneous Bonds & Stock.....	8,416,460.10
Cash.....	10,574,203.04
Uncollected and Deferred Premiums.....	13,711,710.24
Interest and Rents due and accrued.....	12,087,598.25
Other Assets.....	51,186.72
<b>Total.....</b>	<b>\$966,664,397.19</b>
	<b>Total</b>
	<b>\$966,664,397.19</b>

## During 1920 the Company Paid

To Beneficiaries . . . . .	<b>\$35,453,758.67</b>
To Living Policy-Holders . . . . .	<b>79,395,838.63</b>
<b>Total Policy Payments . . . . .</b>	<b>\$114,849,597.30</b>

Dividends amounting to

**\$37,446,654.87**

were authorized by the Directors and will be paid in 1921.

Over 200,000 new members (including former policy-holders who increased their membership) joined the Company in 1920, representing a total new business of

**\$693,979,400.00**

The largest new membership in the history of the Company. The New York Life Insurance Company is what its name implies, A LIFE INSURANCE COMPANY. It transacts no other form of insurance. Its policies furnish the broadest coverage and provide

**For payment of face amount upon due proof of death.**

**For payment of double the face amount in event of Accidental death.**

**For life income to the insured who becomes totally and permanently disabled.**

There is a great opportunity in this Company for energetic, educated young men who desire to enter our business as a life work. For full particulars address either the Home Office of the Company or one of its Branch Offices.

## Board of Directors

LAWRENCE F. ABBOTT  
ALFRED L. AIKEN  
JOHN E. ANDRUS  
CORNELIUS N. BLISS, Jr.  
NICHOLAS MURRAY BUTLER  
GEORGE B. CORTELYOU  
JOHN H. FINLEY  
DAVID R. FRANCIS

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MYRON T. HERRICK  
GRANGER A. HOLLISTER  
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DARWIN P. KINGSLEY  
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GERRISH H. MILLIKEN

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FLEMING H. REVOLD  
GEORGE M. REYNOLDS  
ELBRIDGE G. SNOW  
HIRAM R. STEELE  
OSCAR S. STRAUS  
S. DAVIES WARFIELD

## THE MAN: E. J. Delfraisse, of the QRS Music Company, says:

"The Dictaphone is a blessing. Its loss would be a calamity. For ten years it has been an indispensable part of our organization, growing in favor and number. Thirty Dictaphones in our Chicago and New York offices add hours to our days in service and years to our lives in comfort."



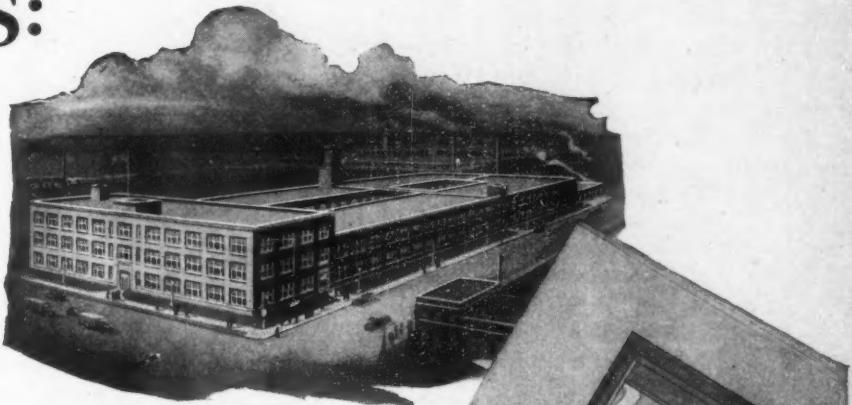
## THE GIRL: Miss Adele L. Kane, of the QRS Music Company, says:

"No more last-minute rush for me. I get a good part of the letters written while the boss is still dictating. That's easier, and there's less possibility of errors than when transcribing is crowded into the late afternoon. I like The Dictaphone."

## THE BUSINESS:

The QRS Music Company reports:

That in their business as the world's largest manufacturer of music rolls they use thirty Dictaphones in various departments. They have found The Dictaphone invaluable for general correspondence and inter-office communication. Letter production has been speeded up and costs reduced.



## Will YOU Profit by Their Experience?

**Send for this booklet:** "The Man at the Desk," which tells about many other business and professional people and their experiences with The Dictaphone, how it has helped them to success. For girls there is a special magazine, "9 to 5"—for and about ambitious girls who have made their way rapidly through the help of The Dictaphone. Complimentary copies of either booklet sent on request. Use the coupon.

The Dictaphone, Woolworth Bldg., New York City

Canada: 347 W. Adelaide St., Toronto  
Branches in all principal cities

**THE DICTAPHONE**  
"The Shortest Route to the Mail-Chute"

Registered in the U. S. and Foreign Countries

There is but one Dictaphone, trade-marked "The Dictaphone," made and merchandised by the Columbia Graphophone Co.



### THE DICTAPHONE

Woolworth Bldg., New York City  
Canada: 347 W. Adelaide St., Toronto

"The Man at the Desk"     "9 to 5"    Check  
Booklet  
Desired.

Name \_\_\_\_\_

Firm Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ N. R. 3



## New Plant to triple Stefco Production

The new plant as pictured above, located at Michigan City, Indiana, on the south shore of Lake Michigan, in the great raw steel center of the Middle West, and at the threshold of Chicago's network of railroads reaching out in every direction, is the STEFCO contribution to confidence in the future and their guarantee to meet the spirit and demand of modern industry for quick service and satisfaction.

The 175,000 sq. feet of additional floor space covering four acres or two city blocks more than trebles present facilities for the manufacture of STEFCO Readybuilt Steel Buildings and at once makes possible the acme of accomplishment in the readybuilt steel building industry epitomized by the STEFCO slogan—

### *"Immediate Shipments from Stock"*

The merits of STEFCO design and construction which met with such instant favor when introduced to industrial America some five years ago, was followed by such a steady demand that today more than a thousand STEFCO buildings are in successful use for almost as many different purposes. To meet the quick demands of the future, the new factory is dedicated and a half million dollar stock of STEFCO buildings will at all times be at the command of world industry.

Designed to strict specifications according to best engineering practice, with their standard Fink type trusses hot riveted throughout, capable not only of supporting the roof but additional overhead loads up to three tons, such as, motor loads, line shafting or trolley systems; with their galvanized

sheet steel side walls riveted every eight inches to the structural steel framework, STEFCO buildings are noted for their rigidity and bridge-like strength. Another outstanding feature of STEFCO construction is its fire-proof nature permitting its use in congested districts alongside the most expensive buildings. They not only protect the owner against fire hazard but the saving in insurance alone justifies their use over buildings of combustible nature.

STEFCO units can be furnished in any size to suit your requirements and upon application we shall be pleased to send you estimates, plans and full specifications if you will indicate the approximate width, length and height of side walls desired.

*Our Engineering experience and service are free for the asking.*

## STEEL FABRICATING CORPORATION

NORFOLK, VA., 424 Seaboard Bank Building

PHILADELPHIA, PA., 407 Finance Bldg.

NEW YORK, N. Y., 1270 Broadway

CLEVELAND, O., 707 Union Bldg.

CHICAGO, 1550 McCormick Bldg.

PITTSBURGH, PA.,  
802 Fulton Bldg.

Factories:  
Harvey, Ill.,  
Michigan City,  
Ind.

BIRMINGHAM, ALA., 720 Brown-Marx Building

ST. LOUIS, MO., 2153 Ry. Exchange Building

MEMPHIS, TENN., 211 Baltimore Building

RALEIGH, N. C., 510-11 Tucker Bldg.

HOUSTON, TEX., 2663 Stanford St.

NEW ORLEANS, LA.,  
Maheca Bldg.

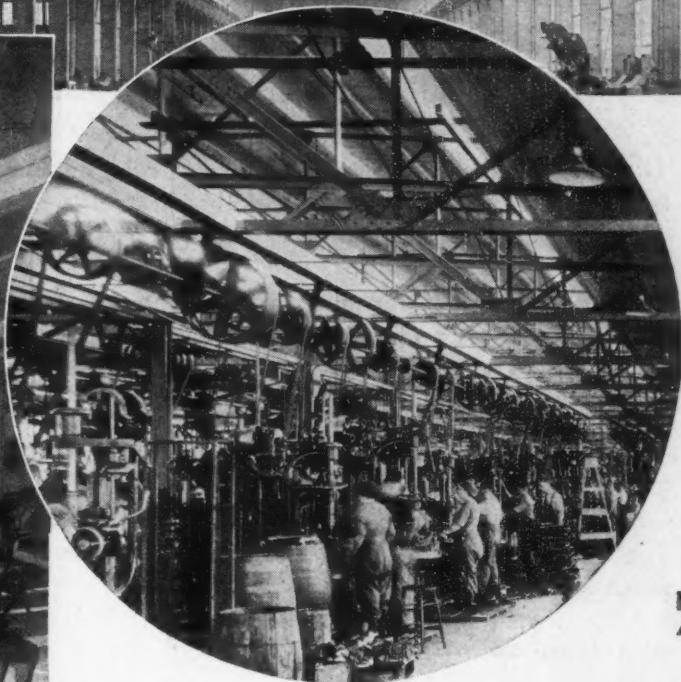
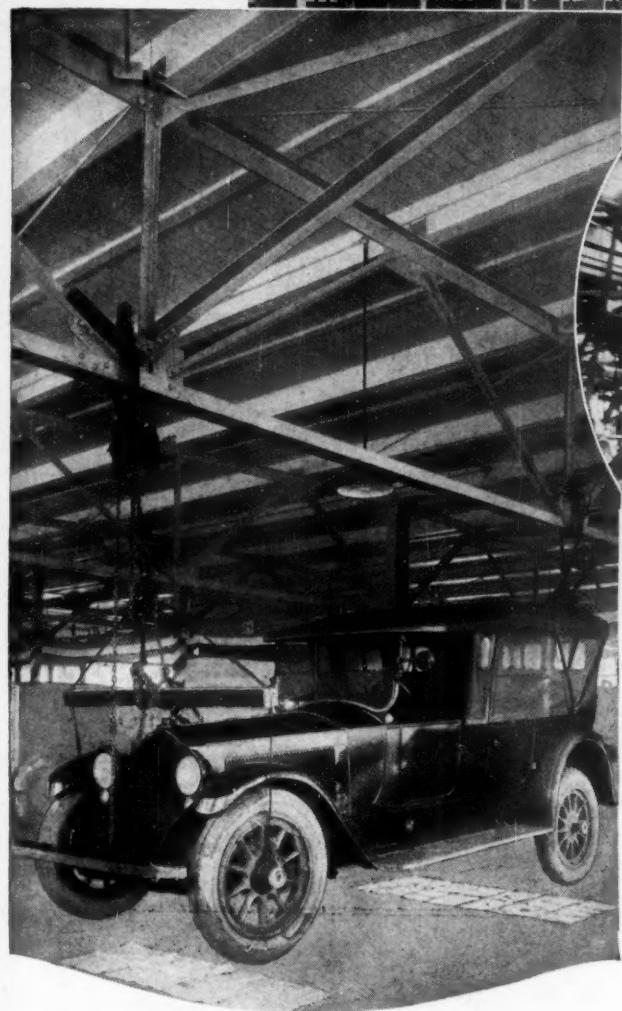
Factories:  
Harvey, Ill.,  
Michigan City,  
Ind.

**STEFCO**  
SECTIONAL STEEL BUILDINGS

"ready built" "ask your engineer"

The structural strength of the Austin-built Morgan Engineering Company building illustrated opposite is *proved by performance*. This structure—95 feet long and 600 feet wide and 600 feet long—has five cranes up to one hundred tons capacity. Only the sturdiest type of buildings—such as Austin Buildings—can safely bear such a tremendous weight.

The illustration below presents tangible proof of the exceptional strength and ruggedness of the No. 3 Truss as used in the Austin No. 3 Standard Building. A PACKARD car, weighing more than five thousand pounds, is shown hoisted off the floor—the No. 3 Truss bearing the entire weight.



Trusses in this Austin building are daily subjected to unusual stress. The dead weight represented by the pulleys and line shafting could not be continually supported by flimsily-constructed buildings. But this and similar tests for *sturdiness* are but part of the day's work for more than 700 Austin buildings serving 46 distinctly different industries.



## Only Sturdy Buildings Can Stand These Tests

All Austin buildings, whether Standard or Special, single or multi-story, are designed to give lasting service. All are built with economy and dispatch. Designs embody all essentials of efficient production. Enduring concrete, brick and structural steel construction make them truly permanent.

Phone, wire or write for a conference with an Austin engineer and send for the "Book of Buildings."

**THE AUSTIN COMPANY, Cleveland, Ohio**

*Industrial Engineers and Builders*

Address your inquiry to nearest office  
Cleveland Chicago Detroit Pittsburgh Philadelphia New York  
San Francisco Dallas Los Angeles

**AUSTIN**  
DESIGNED BUILT AND EQUIPPED

**PERMANENT  
FACTORY BUILDINGS  
SPECIAL & STANDARD**

# ARE YOU REORGANIZED OR DISORGANIZED?

*Normal conditions will come most quickly to those companies which have properly reorganized their management, methods, men, and facilities to meet them*

1st. Have your necessary readjustments of this retrenchment period been made according to a logical plan or have they "just happened?"

It is easier and cheaper to follow a positive plan of action, that will protect you at each stage—both for current requirements and sudden advances towards normal.

2nd. Is your organization prepared to easily and quickly expand—to accept, at once, opportunities as normal conditions arrive?

This is possible through a proper organization plan which provides for the immediate future—outlines objectives definitely—properly indicates each step in expansion—maintains only a sufficient and balanced force, but capable of expansion as needed.

3rd. Are your factory control methods crippled by the readjustment?

They can be established on a flexible basis which will provide full control at each stage of increased production volume, and with a proper constant ratio of expense

4th. Are your costs as effective now as under normal conditions?

They can, without any more up-keep expense, be developed to give true usable facts now and under every changing condition. In fact, it is more essential that they tell you the entire truth now, while you are endeavoring to fill your plant than after you reach normal production.

5th. Are your plant facilities in such shape that it will not take days and months after receipt of orders to reach best operation?

This is the best time to study and standardize methods, processes and equipment, so that new work will be performed on the most economical basis.

The most progressive companies, new and old, which will be your hardest competitors, are careful to reorganize and not disorganize. Are you interested in the details as to how we are aiding manufacturers in this reorganization?

WE CAN DESCRIBE OUR PLAN BRIEFLY

*Have your Secretary write for our Blue Book now*

**C. E. KNOEPPEL & CO., INC.**  
*Industrial Engineers*

**"Knoepfel Organized Service"**

52 Vanderbilt Avenue

New York

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## THE NATION'S BUSINESS



Vol. 9

No. 3

Published Monthly by the Chamber of Commerce of the United States, Washington, D. C.

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JOHN G. HANRAHAN, Jr., Business Manager

SILAS BENT, J. W. BISHOP and BEN H. LAMBE, Associate Editors

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As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber.  
But the Chamber is not responsible for the contents of special articles nor for the opinion to which expression is given in them.



## Fifty Seven Million Proofs That the Principle Is Right

Since that day more than twenty years ago, when a Timken Tapered Roller Bearing was first installed in a motor vehicle, Timken principle has remained unchanged.

Yet, during those years, American and European manufacturers have used more than fifty-seven million Timkens. And, as far as we know, not one of those fifty-seven million Timken Tapered Roller Bearings has ever been replaced by any other bearing.

Fifty-seven million Timken Bearings! Twenty years of service! Not a single Timken that we know of replaced by any other make! Hardly a motor car, truck, or tractor in America today that does not boast of its Timkens!

Could one ask for more convincing evidence of the correctness of the principle, design, and construction of Timken Tapered Roller Bearings?

Surely those years of service, those millions of applications bear out the basic claims of Timken Tapered Roller Bearing superiority in ability to carry *all* loads no matter from what direction they come—

to withstand the *highest speeds* encountered in automotive practice—

to carry these loads at these speeds with *negligible frictional loss*—

and when the inevitable wear that must follow motion does come, to provide a quick, simple adjustment or take-up that makes a Timken Tapered Roller Bearing function as if it were new.

The Timken Roller Bearing Co., Canton, Ohio  
 Timken Tapered Roller Bearings for Passenger Cars,  
 Trucks, Tractors, Trailers, Farm Implements,  
 Machinery, and Industrial Appliances

# TIMKEN Tapered ROLLER BEARINGS

# THE NATION'S BUSINESS

A Magazine for Business Men

VOLUME 9, NUMBER 3

MARCH, 1921

## For the Freedom of Business

In spite of the universal demands for less government interference, measures before Congress threaten to take from private hands virtual control of great American industries

By CLYDE DAWSON

*Member Board of Directors, United States Chamber of Commerce*

SEVERAL BILLS now pending in Congress indicate a step onward in a process leading away from the principles on which we believe this Government is founded. Ours was intended to be a government of laws and not a government of men. Clearly it was intended that government should keep out of business, and that business should keep out of government—that each should confine itself to its own proper sphere of endeavor.

Permit me to direct attention, first, to what is known as the Calder Bill with reference to the coal industry; and second, to what is known as the Packers' Bill, in reference to the great packing industry of this country.

The Chamber of Commerce of the United States holds no brief for the packers of the United States or for the coal operators of the United States. It stands simply for great fundamental principles, and in the maintaining of those principles it is merely an incident if it either upholds or tears down the standing of any particular organization or industry of the country. It does not espouse the cause of any particular individual or corporation or body of men or industry, except as the cause of that person or that corporation or that organization represents some of the fundamentals which make for the benefit of all of the people of this country.

I will summarize some of the provisions of the bill in regard to the coal industry. One of these is that a license system is provided for operators and dealers in coal engaged in commerce whose gross annual sales amount to \$50,000 or over. The license may be revoked or suspended by the President upon failure to supply information as required by the Federal Trade Commission.

But further than this there is a price-fixing provision, which is as follows:

"The existence or threat of an emergency in the coal industry or supply, as found by the Federal Trade Commission"—found how? Upon an open, judicial hearing at which all persons are to be represented? Nothing of that sort is said in the bill. And then it continues—"and confirmed by the President, of a character likely to produce a shortage or bring about unusual or unreasonable prices throughout the whole or in any

### A Business Bill of Rights

*(From the Resolution Adopted by Two Annual Meetings of the Chamber of Commerce of the United States)*

The very essence of civilization is that there be placed upon the individual only that degree of restraint which shall prevent his encroachment upon the rights of others, thus releasing to the utmost individual initiative in every proper direction.

Our form of government most effectively expresses and maintains this principle. Within our basic law exists ample provision for such changes as may from time to time be necessary to safeguard our people.

It is, therefore, essential that our Government should scrupulously refrain from entering any of the fields of transportation, communication, industry and commerce, or any phase of business, when it can be successfully undertaken and conducted by private enterprise. Any tendency of government to enter such fields should be carefully weighed in the light of its possible effect upon the very genius of our institutions.

part of the United States, authorizes the declaration by the President that an emergency exists threatening the public health and empowers him to fix maximum coal prices and dealers' margins and commissions, effective throughout the United States or in any designated section; sales at rates in excess of those so fixed warrant the revocation of licenses and are punishable as misdemeanors; during periods of emergency the President is authorized to deal in coal at reasonable prices, and to control the production, movement and distribution of coal so far as the public interest requires."

There never was a broader provision contained in any law ever offered in the United States of America than that found in the very section which I have read. It seeks to raise the President from the head of a government conducting governmental affairs into the great coal merchant of 100,000,000 people. It says that upon the mere *ipse dixit* of the Federal Trade Commission that something is likely to occur which will bring about unusual prices or increase the rate beyond that which the commission thinks right, the President of the United States may reach out the governmental hand and control this

great industry from ocean to ocean and from the Great Lakes to the Gulf.

I am not defending anybody who has engaged in profiteering. There are laws upon the statute books—and if there are not, they can easily be put there—which provide for the punishment of any one who does that which is harmful to the people of the country. But I am opposing the turning of the Government of the United States, which was meant to conduct the governmental affairs of its people, into a huckstering merchant to run one of the great industries of the country, and to go into competition with its own citizens throughout the length and breadth of the land.

Back of all our problems is the great problem that is indicated by legislation of this kind. Solve that and many of the other questions will be solved. Leave it unsolved, and you can write the answer to all the others; you will go down in a welter of communism and the Constitution of the United States, which for more than one hundred and thirty years has stood as the

most wonderful document the world has ever seen, will be but a scrap of paper forgotten by you and me, the people who have lived and prospered under it all these years.

But it is provided further in this coal bill that in case a man wants to sell a piece of coal land (he may have owned it for twenty or thirty years, and operated it) and it happens that his neighbor is his best purchaser of that piece of property, by reason of location; if that neighbor happens to have acquired an interest in his company (holds what they call a substantial interest in his corporation) he cannot sell it to his neighbor without putting it up at auction, sacrificing it upon the block of a common auction sale. So that instead of being in the situation all the one hundred million persons in this country are in, permitted to deal with his property and sell it to the best advantage, if it happens that one who has been interested in his company is that best possibility, he must put it up at auction and bid it down to him at whatever may be had at a forced or public sale.

The same objections may be made to the Packers' Bill. I know the word "packers" is anathema to the politician. But when you

try to cure such evils as may possibly be there—and I am not saying that there are not evils in the conduct of their business—by undermining the very fundamentals of the American form of government, then the disease is much less objectionable than the cure.

And in the Packers' Bill one of the greatest industries in the country is put—under what? Under three men. Of course they would not be politicians! They never appoint politicians. This great industry would be put under three men to be paid \$10,000 each a year, who would sit in Washington and run a vast business throughout the whole country. There are many men conducting a single subdivision of one packing company, mere superintendents, who get \$10,000 a year and more, and they are worth more than they get.

And they are entitled to what? They are entitled to employ a secretary at \$5,000 a year. That isn't much. But there will be attorneys at law, and experts of many kinds, and employees. And I undertake to say that within two years after the Federal Commiss-

sion to conduct the packers' industry has begun functioning they will build up a greater pay roll than any one of these companies has built up in a score years.

On June 30, 1916, according to the last Annual Report of the United States Civil Service Commission, the number of employees in the entire Federal Executive Civil Service was 480,327, and on June 30, 1920, it was 691,116. And in about another year there will be a million of them in the Federal civil service, one for every one hundred men, women and children in the United States. And if you will create a few more Packers' Commissions and Coal Commissions you will have more in the Government Service than you will have taxpayers left to pay them.

You know what a commission is—here today and gone tomorrow. Three men sitting today establishing one policy, and a short time afterward another commission establishing another policy. We ought to establish provisions for the punishment of the profiteers, for the punishment of the packers, if they are offenders, under crystallized statutes

which apply to every man, so that everybody would be punished alike.

We look with skepticism upon every effort to reach out and control the industries of the country. We believe that this great country of ours has become great because of the individual opportunities given our people. We believe that the Constitution which provided that we should have a legislative, a judicial and an executive branch is the very best form of government ever established for an enlightened people. Under it we have developed this great continent of ours, we have crossed deserts and great mountains, we have felled forests, and caused the desert to blossom as the rose; and wherever we have gone we have carried our faith in God, in our institutions and ourselves. We have builded homes, churches and schools, and have laid deep the foundations of human liberty; and if we are worthy of the name of American citizen we will courageously stand and fight to preserve those liberties which were given to us by that Constitution.

## Starting the Nation to Build

The Government may help, but it is on the business man of America that the task primarily falls; building prices must give way to the public need

By SILAS BENT

**I**N THE UNITED STATES last year there were a million weddings. Seventy thousand homes were built.

Thus in striking fashion the housing shortage was put before the National Council of the Chamber of Commerce of the United States, at its conference last month in Washington. The chief obstacle to remedying this extraordinary situation lies in cost—the cost of building materials, of money and credit, of labor. One speaker candidly advised delay. "Don't build—wait!" he urged.

Others suggested various palliatives. So far as governmental aid is concerned, it is a question, as Senator William M. Calder expressed it, whether the aid should take the form of "facilities or subsidies." The answer to that lies with American business. Building is a business function, too long neglected owing, in part, to governmental interference during the war and to turbulent economic conditions since. The present shortage involves a grave menace to health, industry and even to government. "Homeless people make bad laws," one speaker warned the councillors.

So acute is the situation that, in the words of one speaker, it "challenges the sagacity of this generation." It has resulted in a pressure upon Congress for relief which moved Senator Calder, chairman of the Committee on Reconstruction and Production, to issue a warning and a threat. The shortage may become so serious as to necessitate governmental subsidies.

"This will mean the adoption of European precedents of monarchic paternalism," he said, "rather than a continuation of American precedents which have made it possible for each man of exceptional thrift and industry to become a property owner."

He expressed earnest opposition to government ownership and management of housing projects, and expressed the hope that

"our reconstruction process will proceed through private initiative and enterprise."

To government regulation of housing activities no objection was expressed. As to government aid through the exercise of its taxing power, through the exemption of taxes on housing construction for a period of years, a difference of opinion was in evidence. The use of government credit or money for projects to be privately controlled was favored. It appeared, by a small minority, although this preference was not expressed through a vote nor in the resolutions. But to government ownership and management strong objection was voiced not only by Senator Calder, but by the spokesman of organized labor and by practically all the experts who took the floor.

Lawson Purdy, former president of the Board of Taxes and Assessments in New York City, expressed his belief that the need of tax exemption for new building in those States where it is possible far outweighed the objections commonly advanced against that form of subsidy. This was Mr. Purdy's proposal:

Various forms of subsidies have been suggested, usually in the form of loans at less than economic interest. As a rule, states and cities cannot use their credit for such a purpose without special constitutional changes. I believe that ordinarily it is an unprofitable thing for any government to compete with private citizens. If the government enters a field of competitive business it must take over the whole business or keep out of it. When government enters the field it underbids and so discourages all private enterprise. The effect, therefore, of the building of houses by the State on any considerable scale or the lending of money by the State or the guaranteeing of loans by the State will be almost certain to discourage builders and lenders to such a degree that the net result will be fewer houses and less money available.

Is there any way in this emergency in which action by the State can encourage the building of more houses? I am sure that there is a course that can be pursued in those States, about one-fourth in

number, which are not constitutionally restrained from using the taxing power intelligently.

Throughout the United States buildings are taxed as heavily as, and in most States more heavily than, any other labor product. With a  $2\frac{1}{2}$  per cent tax rate on an assessment at full value the net rent must be about one-third more than if there were no tax. If the net rent equals 6 per cent of the cost of the building the tax is five-twelfths of the net rent. At the present time doubtless there must be a prospect of a much higher net rent than 6 per cent in order to induce building, but even if the net rent is 10 per cent the tax is one-fourth of the rent. It is obvious that the tax is a very important factor. If the tax on new dwellings is remitted for a term of years a substantial inducement is offered to builders. How substantial that inducement is few people realize.

### As to the Objections

**M**R. PURDY did not fail to take into consideration the objections which have been offered to this procedure. It has been said, for instance, that such an exemption would reduce the assessment roll, but he denied this. Existing property would not be exempt. On the other hand, Mr. Purdy said, the exemption might reasonably be expected to stimulate the building of additional housing which would not otherwise have been produced, and which would be taxable after the exemption period had passed. During that period, this building activity would swell the assessment roll by increasing land values; and he continued:

It is said that it is unfair to the owners of existing buildings to exempt new buildings. The owners of existing buildings have seen the value of those buildings doubled by no act of theirs. In many cases the rent they can obtain is more than doubled. The value of those buildings will tend to be about what it would cost to reproduce them provided always they are suitable. It does not seem that there is any hardship to these owners of existing buildings in encouraging the production of new buildings costing twice as much.

The emergency is great. The need is serious.

We should give every possible encouragement to the erection of new buildings by private enterprise by a method which does not introduce the dangerous feature of competition by the government itself.

The Metropolitan Life is one of the few insurance companies which have made large loans for building purposes; and Walter Stabler, its comptroller, told the councillors that, as the company has about 17,500,000 policy-holders, "we feel we have a definite responsibility for these people, for whom we are trustees, and to whom belong the funds which are in our charge."

More than half the people of the United States live in cities of twenty-five hundred or more, and as the Metropolitan's policy-holders are almost altogether city-dwellers, who have been the chief sufferers from crowding and unhealthy housing conditions, and who have been hard hit by rental increases, the company's interest is immediate. About the middle of last year the company began to restrict its loans, as far as possible, to new dwellings, apartment houses and farms.

The company has been lending fifty per cent of its appraisal on the combined value of the land and construction cost, for a period of fifteen years, at the interest current in the locality. In about eighty cities it has lent money on 2,200 single swellings and 117 apartment houses, to a total of twenty-five millions. Mr. Stabler described loans made to large industrial concerns, of which the most notable was that to the Goodyear Tire and Rubber Company for its Akron project, described in the February number of *THE NATION'S BUSINESS* by F. A. Seiberling, president of the Goodyear concern. Mr. Stabler had this recommendation:

The first mortgage loans on small dwellings are the prime necessity, and are all that can be offered by any institution lending money on first mortgages, such as Life Insurance Companies, Savings Banks, Trustees, etc., but they do not, by any means, fulfill all the necessary requirements of borrowers. Very few purchasers of dwellings or apartment houses have sufficient money to pay all the cost between the mortgage and the selling price, and a great gap, therefore, exists that most men find it difficult to fill. In many cities, sales of houses are made on what are called Land Contracts, by

which a purchaser buys from the builder, subject to a first mortgage, but obtains only a contract and does not get a deed until either the entire purchase price has been paid, or the contract is paid down to the first mortgage. Speculative builders sell these contracts to companies organized for the purpose of buying at a heavy discount, which discount, of course, is paid by the purchasers of the houses, although they do not know it. In other cases, second mortgages loans are made to such buyers and this means expense to the purchasers. This is a real problem.

#### A Prolific Source

COOPERATIVE building and loan associations, Mr. Stabler observed, were the most prolific source of mortgage money for small home owners. In 1919—no later statistics are available—the loans approximated, according to their officials, nearly half a billion dollars, and it is the belief that even a larger sum was lent last year. Describing the usefulness of these organizations, Mr. Stabler said:

The losses by these associations are so small as to be negligible. It has been the practice, when funds were needed to advance to their members, faster than regular receipts permitted, to borrow on their mortgages from banks, and this assistance has been of great value; but in the past few months, since the Federal Reserve Bank tightened up on discounts, this assistance has been largely withdrawn. My information is that in some of the States, notably in Pennsylvania and Maryland, the Cooperative building and loan associations are permitted by law to make loans on properties, subject to moderate first mortgages, seldom exceeding fifteen to twenty per cent of the value of the property and running for a term of five years or more.

Would it not be a still greater advantage if these organizations would make loans subject to first mortgages by other lenders running up to fifty per cent., the Association making second mortgage loans of say 25 per cent to 30 per cent, but not increasing the total amount of mortgages which may be made on any one house beyond, say, 80 per cent? This would more than double the ability of building and loan associations to help their borrowers and under the proper restrictions such business should be conducted with entire safety to both parties. It would, of course, result in the building and loan associations virtually guaranteeing the payment of the first mortgage, or at least so protecting it, that it would be entirely safe.

It was Franklin T. Miller, expert adviser

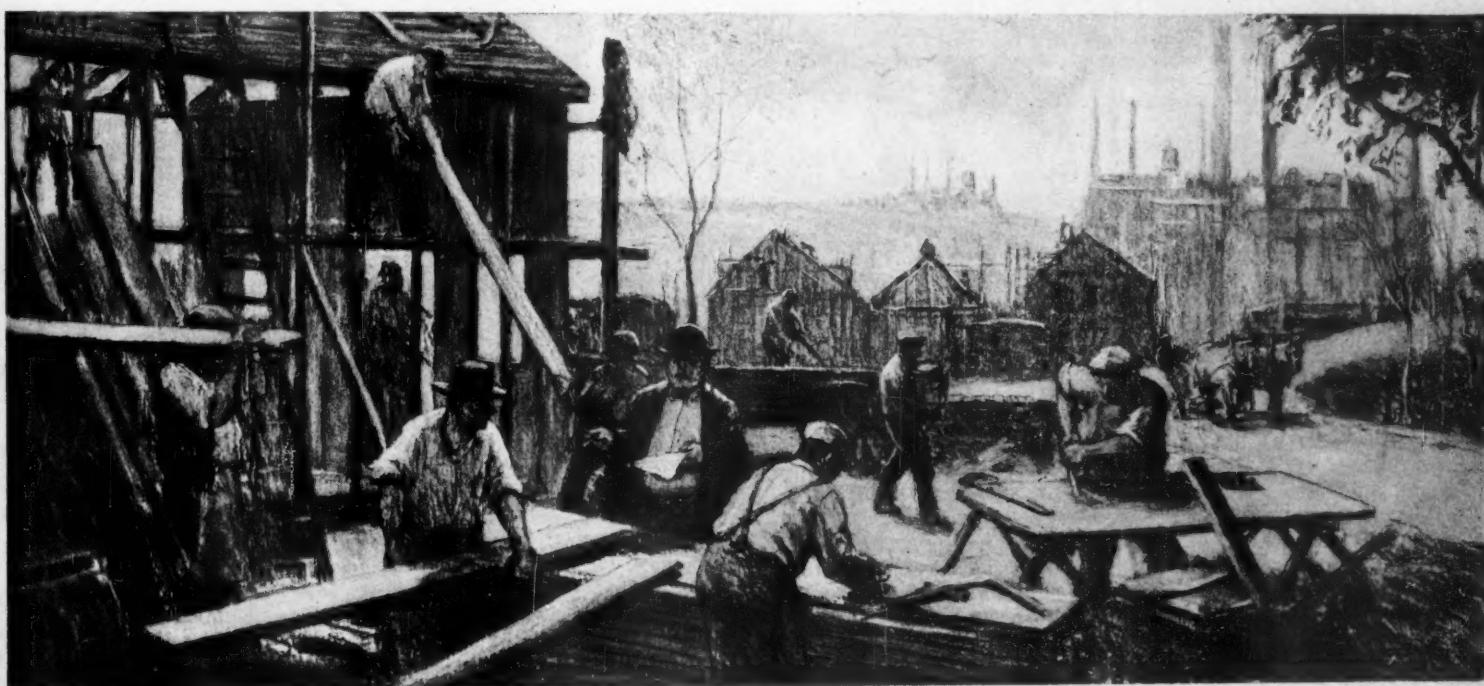
to Senator Calder's committee, who gave the advice not to build until prices had reached more reasonable levels. Since June, 1920, he said, prices of general commodities had fallen at the rate of about 13 points a month, to 189 last December—a decline of such rapidity, he said, as had never before been witnessed in economic history. Can this last, he asked, and answered:

Should the fall in wholesale prices of general commodities continue at the present rate of thirteen points a month for another seven months we would be down to prewar levels, but this is inconceivable, for the reason that we have outstanding some twenty billion dollars in government bonds more than we had at the beginning of the war and our supply of gold, on which our currency is based, is several times as great as it was at the beginning of the war. It is hardly conceivable that the slowness of circulation could possibly offset these two factors. So the probability is that the fall in prices will soon become more gradual.

After the supply of commodities is liquidated there will be a wave of upward prices. But with means of production and distribution impaired during the past seven years, our ability to produce and distribute has been diminished.

I have cited the fluctuation in the general level of prices because the cost of building must eventually follow the fluctuations of general commodities. During the war the prices of building materials did not increase as rapidly as other commodities, in 1914, the price of building materials reached 157 in November, 1918, compared with 207 for other commodities. A year later, November, 1919, building materials had reached 256, compared with 230 for other commodities on that date. In May, 1920, building materials and general commodities both reached their maximum, building materials 341 and general commodities 272. During the past seven months building materials have fallen 75 points to 266 and general commodities have fallen 83 points to 189. The under-supply and the accumulated demand for building will in all probability retard the fall of building material prices, as compared with commodities of which there is an oversupply and satisfied demand.

Mr. Miller said that the housing problem could not be solved by municipal or State governments, because transportation, fuel and the distribution of credit are too intimately involved. "It is only through the regular and continuous application of labor that the housing shortage can be made up at a reasonable cost to the public."



The average number of new homes built in America before the war was 350,000; last year the figure was 70,000.

On behalf of labor, John A. Voll, former president of the Ohio State Federation of Labor, and a member of the United States Commission on Living Conditions, as spokesman for Samuel Gompers, pledged the cooperation of the unions. He was as emphatic as had been other speakers in affirming that the way out lay not through subsidies nor paternalism, but through private initiative and resource.

Next in importance to the extent of government assistance, and the cost of materials, money and labor, the councillors found the problem of maintaining high standards of sanitation, lighting and ventilation. Prior to the war the United States was the best-housed nation in the world. In the semipanic due to the present shortage the high standards then prevailing had in many instances gone by the board, owing partly to overcrowding, partly to an overeager construction.

### Plumbers Are Still Prosperous

IT may be said in passing that although only 70,000 new homes, approximately, were built last year, whereas the pre-war average was 350,000, the plumbing-supply industry had the most prosperous year in its history. This was due to the fact that many large dwellings were cut up into small "non-housekeeping" apartments, with provisions in the basement for a common kitchen and dining room. Herein was a startling proof of the extent to which crowding had gone.

Tuberculosis battens upon tenants of crowded, dirty rooms, and in Poland the difficulty in controlling typhus is due primarily to dwellings in which cleanliness and separation are impossible. Miss Julia C. Lathrop, chief of the Children's Bureau of the United States Department of Labor, had this to say on the bearing of bad housing on health:

We are aware that poverty inevitably drives families into the poorest houses and one of the disheartening aspects of model houses is that they are so few that they are always filled by super-model tenants who know how to use them properly and who rise superior to the charges that a class of people exists who seriously choose houses free from absurd bath tubs and plumbing. Especially survives the myth of the bath tub used for a coal bin. How many of us with a tub which did not produce hot water or perhaps even cold water would find it as great an aid to comfort as if it held good coal?

A housing shortage inevitably lowers living standards. Its effect upon industry is to lower the health, resistance, efficiency of workers and to repel workmen from localities where decent housing is unobtainable, or to make them restless and wretched if they find themselves tied to a location which gives them and their families less than a decent shelter in decent surroundings.

Ernest T. Trigg, of Philadelphia, president, National Federation of Construction Industries, said that if all interests concerned with the housing situation would promptly cooperate in a fair and proper way for the purpose of bringing costs down to a reasonable basis, one which would justify the confidence of the public in its stability, the housing industry could be revived to a large extent. He told of a conference the Philadelphia Chamber of Commerce had undertaken to try to bring about of all the housing interests on Tuesday, February 15.

The meeting was attended by some of the officials of Pennsylvania and nearby states, including governors and mayors, bankers, transportation men, fuel producers, building material manufacturers and dealers, contractors, engineers, architects, real estate dealers and workmen. Maximum usefulness from such an activity as is to be undertaken by Philadelphia can only come from the cumu-

lative effect throughout the entire nation, he said.

According to R. Goodwyn Rhett, of Charleston, South Carolina, a former president of the National Chamber, the future of American Democracy depends in a large measure upon the kind of housing program the United States adopts at this time to relieve the present shortage of one million and a half family dwellings.

"In taking up the various phases of the problem of making up the shortage of houses," said Mr. Rhett, "We cannot afford to overlook or disregard the bearing which such construction will necessarily have upon the permanent welfare of this country. We cannot afford to countenance or permit any backward step in the standards of living which have been established either by law or by public opinion; for the standard of living of the great mass of the people is the surest index of progress in the march of civilization."

The Committee on Resolutions, avoiding the technical phases of the housing problem, called on member organizations of the Chamber of Commerce of the United States to make a detailed study of conditions in their communities. General cooperation in remedying the present menacing condition was urged. The resolutions declare:

### I

That we, as representatives of American business, urge that each constituent member organization of the Chamber of Commerce of the United States in cooperation with the National Chamber

1. Make, or cause to be made, a thorough study of the situation in its own community which will bring out the facts as to house overcrowding, erection of unfit houses and changes in house plans or construction that tend to rob the dwelling of its character as a home.

2. Based upon the results of such study adopt a constructive program designed to secure adequate and wholesome housing for all the people.

3. Set minimum standards for light, ventilation, water supply, sanitation and proper construction and maintenance for all dwellings; and take such

action as may be necessary to make its conclusions effective.

### II

That we call upon all persons engaged in the business of manufacturing building materials of every class and character, as well as upon builders and contractors, to exert their utmost efforts to the end that conditions are brought about which will result in immediate reductions in costs of construction.

That we call upon the retailers and distributors of building materials to do their full share in meeting the demand of the people for cheaper building materials. That we call upon labor engaged not only in the construction industry, itself, but in the making of the great variety of materials of all kinds entering into construction, to do its full share, to the end that labor costs which constitute so large a proportion of the total cost of raw materials and of building, may decline to a point where it will be possible to proceed with construction which is so essential to the health, comfort, and well-being of all the people.

That the Chamber of Commerce of the United States make such study of the housing problem, including costs of materials and labor entering into house construction as will locate the responsibility for excessive costs, and publish its findings so that all may know where the responsibility lies.

### III

That we pledge our support to those who are bringing the facts to light, and

That we urge the continuance of investigations and the punishment of those guilty of illegal combinations between employers organizations, labor organizations, or between organizations of employers and of labor.

That the Board of Directors of the Chamber of Commerce of the United States be requested to consider through its appropriate departments the questions involved in the housing situation and report the findings to the membership when appropriate.

The committee, after hearing a speech by Harry A. Wheeler, former president of the Chamber, on the proposed new home in Washington, recorded "its unreserved endorsement of this undertaking," and called for the active support individually and as organizations of all members, in completing the building fund.

## How Housing Affects Labor

Important points brought out before the group meetings of the National Chamber's Housing Conference

ONLY a little more than one-fourth of a worker's time is spent in the plant or office, assuming that he has an eight-hour day and works three hundred days a year. As to the worker's family, it has been estimated that more than nine-tenths of its time is influenced by the home.

For this reason wholesome living conditions are a potent factor in producing contented and efficient workmen. Those who are well housed do not move on readily to housing uncertainties elsewhere, and those who own their homes are still less likely to prove restless.

These facts were developed at one of the group meetings held in Washington during the Housing Conference of the National Council of the Chamber of Commerce of the United States. There were three groups, one to consider construction, another finance, another industrial housing.

Morris Knowles, an engineer of Pittsburgh, and the author of a book on industrial housing, called the attention of the delegates to the fact that labor unrest had not always been due to lack of satisfactory pay. He said that it "may come from the psychological

effect of the laborer's family upon himself, due to discontent arising from bad living conditions.

W. H. Ham, manager of the Bridgeport, Conn., Housing Company, told how the speculative builder had defaced the city. In most cases, this was the carpenter-builder, who prepared a crude sketch of a house, paying little attention to architecture, but following the line of least resistance. As a rule the client in such cases is no more exacting than the builder. Elaborating this point, Mr. Ham said:

The carpenter-builders of about fifteen years ago established a type of house which, as near as I can discover, was derived from the Queen Anne cottage of a period somewhat earlier. This house was squared up by the carpenter, the tower removed, the delicate lines of the Queen Anne type of cottage abandoned and clumsy details substituted in its place. The house was changed from a single house to a two family of the flat type and has been repeated about three thousand times with very little, if any, improvement. The result is a city filled with houses of a very uniform type, too large for the average two family unit and constituting what I think is one of the difficulties of our city, in becoming instead of a two family house a two and one-

half family house, the rooms in the attic being very often rented as a so-called light-housekeeping apartment. Our city is stamped in its appearance, not by the architectural profession, but by the speculative builder. Results of a similar nature are very common in other cities.

Public utilities companies of the United States will require \$852,500,000 properly to equip the 1,250,000 houses and apartments which this country now needs, Philip H. Gadsden, President of the American Electric Railway Association and a vice-president of the United Gas Improvement Company, of Philadelphia.

Only by inducing a new flow of capital into public utility securities can this vast sum of almost a billion dollars be raised when it

is needed, Mr. Gadsden said. He added that this new money could be obtained if public regulatory bodies would grant utilities rates which would provide an attractive return to the investor.

The construction group heard A. M. Maddock, chairman of the Standardization Committee of the National Federation of Construction Industries, in Trenton, N. J., discuss the standardization of manufactured products entering into housing. He made it clear that there was no desire on the part of the builders to standardize architecture or design, but only parts, and explained the economies to be derived from it.

In addressing the finance group, K. V. Haymaker of Pontiac, Michigan, author of

the Federal Home Loan Bank bill, discussed the activities of building and loan associations, and declared them "the most efficient home building organizations ever devised."

Archibald M. Woodruff, third vice-president and manager of real estate loans for the Prudential Insurance Company, discussed real estate mortgage loans as a field for investment. The Prudential made about 11,000 real estate loans last year, about \$40,000,000 in city loans and \$44,000,000 in farm loans.

About 6,500 families were benefited by the company's 3,400 loans on private dwellings and apartments. "The desirable character of that form of investment," Mr. Woodruff said, "offers an opportunity afforded to investors to render patriotic service."

## Better Men from the Melting Pot

The menace in immigration is not in the fact that the newcomers are foreigners—it lies in the man who remains a foreigner after he has reached the shores of the United States

By CHARLES NAGEL

*Former Secretary of Commerce and Labor*



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Immigrants at Ellis Island waiting for the gates to open that will let them into "the promised land."

been started and that dream cannot be stopped but must be guided and fulfilled in some form.

When President Wilson made the international promises that were scattered broadcast through the world, I said to myself, he has thrown democratization, self-determination, equality, all these vague terms, upon an international screen until all the peoples of the earth have read them and from now on our difficulty is going to be that all the peoples of the earth will believe that they can interpret those dreams in practical measure. That is our danger. You are not going to stop that dream. It is at work now all over the world more so than we

are ourselves willing to believe, and, indeed, more than our press is willing to tell us.

We know that conditions prevail in India of which no man would have dreamed five years ago; we know that in India, in Mesopotamia, in Egypt, in South Africa, in Ireland and everywhere the unrest has seized upon the people. We must not make ourselves believe that because we have a republic, a free government, the opportunity to change at will that, therefore, our conditions are satisfactory and that we have done everything to justify these splendid institutions that have been handed down to us.

Immigration—it is only a phase of the question—an illustration. I have no pet theories about legislation. I have no particular measure to recommend, I do not believe that there is a political plaster for any real industrial woe. I have no confidence in all these isms, I have no confidence in all these new laws. You know there are no people on earth who are more keen to accept easy promises than we are, and there are no people on earth who have so many politicians who make promises. They know us perfectly well—why shouldn't they? They

WHEN BUSINESS MEN tell me that they want normal conditions to return, I tell them, perhaps in extravagance, that what they have been pleased to call normal is very liable to be abnormal for some time. Something has happened in this world, and we shall have to deal with that.

Many years ago I read—I think it was in Herbert Spencer—that the inertia of the masses is the chief foundation and safeguard of society as now constituted. That is an amazing and alarming statement. It was chiefly amazing for a man like Herbert Spencer, who was an opponent of over-legislation.

I do not think that the inertia can be relied upon any longer because a dream has

know we are pleased with a broad promise today and they know it is safe to make it because four weeks from now we won't know that they made it.

That is the reason that we believe in slogans, in broad assertions, in big promises, and the more undefined they are the more safe for the man who makes them and the more dangerous for us. That is what we have to contend with.

There is a measure now pending before Congress to stop immigration for a year. That means nothing but a makeshift. We have had six years without immigration and all that time we might have thought out our policy but when we got through we found that we had not, so we want another year to begin to think.

I am no dreamer about the policy of immigration. I think that we ought to take care of the United States first. I have no illusions about winning or holding the world to an undefined international plan or scheme. I do not think anybody should be admitted to this country, broadly speaking, for any purpose whatsoever, who does not promise ultimate fitness for citizenship.

We cannot afford to take people into our country simply to have them do our dirty work, because one of the tests of a republic is to supply out of its own citizenship the capacity and the will to do everything that should be done. That is the only way labor can be dignified.

#### We Can't Afford It

NOR can we afford to pack them into stifling, overcrowded tenements, like those of New York; nor banish them to the shack colonies that form a disreputable fringe about so many of our cities and towns. Good houses are essential to wholesome family life and to a vigorous, patriotic citizenship.

Nor have I any illusions about race. I believe in liberality and tolerance and I have been distressed at some of the demonstrations in the last few years in my country, but I accept as a fundamental principle that we cannot afford to admit certain races into our country without having eternal discord among ourselves.

I am willing to go on for a while with the law we have with many imperfections on its head because, gentlemen, here is a subject with respect to which I care infinitely more about the spirit of the administration than I do about the letter of the law. It deals with the human being and you cannot handle a human being and hold his confidence and win him for citizenship if you have nothing better than a yard stick to apply to him.

One instance—a case from Omaha—will show what I mean. An Italian was recommended for deportation because he had been convicted twenty or twenty-five years ago of a felony in Italy, and had served in the penitentiary. I wrote to find out what the facts were and he said he had been in this country two years and eleven months, within one month of being immune. He came here from Omaha and I asked him:

"Is it true? Did you serve?"

"Yes."

"You were convicted of a felony, a grave charge like that?"

"Yes."

"You were guilty?"

"No."

"Most men say that," I said; "can you show it?"

"Yes."

"How?"

He said, "Well, you know, the judge did not think I was guilty or he would not have

given me six months for that offense. A few years afterwards they got the guilty man and he got fifteen years because he was guilty."

I said: "How can you show it to me?"

He answered, "The people who testified against me and upon the strength of whose testimony I was convicted are now in this country and they are my truest friends. They will go to any length to relieve me from the burden of that injustice. They will come here if you want to see them."

I wrote over to Italy to verify the record. Everything was just as it had been represented, but the law said if a man has been convicted in another country of a felony he must be deported. I answered, "That is what the laws says, but it don't mean it. Perhaps my inspector might have to do it but I am secretary with the final power and I must have some discretion, because there is no appeal from my decision," and I will resign my office before I will deport that man. And President Taft said I was right.

I give this instance because I want to show how dangerous is the hard letter of the law in an administration that has to do with a human being, and how imperfect our system is. And again, I am not criticising my subordinates. If it had not been for them I would have been lost in the sea of trouble.

Take the case of the woman whom I saw in New York. The Commissioner said, "I am going to send for her to see you." She looked like a statue in marble. There was not a sign of life; she just stood there. She seemed to say, "You have done to me all you can do. It matters little what you do next."

The question was whether she should be deported because she was in danger of losing her mind. Her husband was waiting outside for her. It was admitted she had arrived at Ellis Island perfectly normal, but here was the cause of her distress: She had brought two children with her and when the ship arrived the New York state authorities took those children away from her to quarantine because they had measles, and she was taken by the federal authorities to Ellis Island. The first thing she heard after that was that the children were both dead and buried, and it was for that reason she was brought into my presence to determine whether she was in danger of being demented and ought, therefore, to be returned, when her husband was waiting outside.

#### A Reason Afterwards

I SAID: "Mr. Commissioner, you may have to deport her but you won't. If I thought you had a right to do that I think I would tell you to drown her. That would be the easy way out of it. But she will not be deported. I order her restored to her husband at once because that is the only way in which we can possibly make up for the crudities and cruelties of our system. If you want a reason I will get a Philadelphia lawyer afterwards to give you one."

Administrative law must be administered in the spirit. If you are going to have a statutory provision of cast iron, you will break any people on earth.

That is the reason why in our police court we ought to have the best men and women capable of the highest discretion, patience and wisdom, because this is the one place where the masses of the people come in contact with the Government. I do not mind the Supreme Court so much. After all it will be sometime before property will be unable to protect itself. We can keep this up for a long time still, but it is in the

lower courts where that unrest is made, and there is where we want judgment, discretion and justice.

There is much that is fine, supremely fine, in the people that come over here, but we should not rest with that. We should know what becomes of them after they get here, because they are to become ours. They are not to be a separate class, because the class system, if it is installed in this country, will destroy us. They ought to become ours, and they ought to be dealt with in such fashion from the first, that the promises of the statue of Liberty will be confirmed by their first experiences on our soil. That is the test. It does seem to me we ought to have a right to inspect people on the other side before they come over, and if you please, decide whether they shall come over. It is just to them, fair to them, and it relieves us of the embarrassing pressure of these individual cases.

We have been told that foreign countries will not permit that, but suppose we say, "If you do not permit it, we will permit no one from your country to come." When I read the treaty of Versailles, I said to myself, "Now, there was one international subject that they might have dealt with," and when I read that treaty now, I say, "If that one subject had been dealt with we would have at least one intelligent provision in it."

#### Why Add to the Cities?

WHY can we not see to it that people are not herded in these large port cities? Suppose we said:

"We will base the percentage of admission upon the percentage you have on the farm, the pioneer, the conquerors of the soil, and we will take as many as you have got, who will go out and play the part of the original pioneer people. We are tired of fighting the great mass of the new immigrants herded in our centers on the coasts."

I am an optimist. I am an absolute believer in our institutions and our people. But I don't think that we ought to get an idea that the problem is to be solved by any section or by any nationality or race in this country. Some will give more and some less, but everybody has got to give something, and the one thing I want to warn against most, is this feeling of race antagonism.

"A united people" has been my key-thought since 1914. I have begged people not to permit themselves in passion to deviate from that thought: One united people for this country against everybody. I have said, "dream, if you will, and reason, but remember when the die is cast you must stand with both feet on the platform of the United States, thinking of only one flag."

Now we are coming to one type, one type of our own—it is the American type. This audience is American, and you could not duplicate it any place else in the world. Every court room is American. Every public school is American, and the children of the foreign-born coming out of those school rooms bring to their parents that which no other influence could bring home to them.

You have seen the result. The people of America were a united people during this war. Was there ever a finer response to the call of a nation than there was in this country when we went to war? And would it have been possible for us to have had the unpleasantness and embarrassment at home if we had all realized in time how well we might trust each other, and how unanimous that response would be when the call came?

# Food for Radicalism

Poor shelter and exorbitant rents breed discontent; it is to the interest of the Nation as well as labor itself to see that American workers are properly housed

By JOHN A. VOLL

*Of the American Federation of Labor*

REALIZING the broad field and many angles the housing question covers and its vital importance to society, I approach it with the explanation that while I am a representative of labor, what I may say in no way commits labor to a definite program of cooperation or understanding on this problem. That must be done through conference and council between all groups directly engaged in erecting houses and furnishing material therefor.

However, I feel that I can say with assurance that labor will go the full limit in honest cooperation in the building of homes, if for no other reason than that of necessity, for it is labor that suffers most when housing facilities are inadequate to meet the living standard of the times. Other groups or units of society have accumulated enough, at least, to make sure of an adequate and comfortable shelter for themselves and those dependent upon them. They are not so vitally affected as is the wage earner, for in his case, where income is sufficient only to meet current expenses, and oftentimes not even that, it means mental and bodily suffering and a lowering of standards.

## Bad All the Way 'Round

THIS condition of affairs within a nation breeds no good to government; it is a menace to health and morals; lowers the efficiency of the laborer in the matter of production and, if allowed to continue, it will bring decay to our national life and its activities.

We can readily realize the crisis this country is facing when it is estimated by those who have given time, thought and study to the matter that there is dire need for 1,500,000 houses and that instead of building 350,000 houses a year, which was the normal pre-war increase, last year there were only 70,000 built and this year's outlook bids fair not to surpass or even equal it. The own-your-own-home campaign that has been and is taking place in a great number of cities, while commendable under normal conditions, only aggravates the situation under present conditions; for with an insufficient supply of houses property takes a fictitious value which in turn sends rents soaring to an unfair and unjust figure. There were many instances where these campaigns caused properties to double in price. The wage earner who buys property today must be reasonably sure of steady employment at fair wages; otherwise he stands to lose, and many thousands of them will lose.

What was and is responsible for the present condition of affairs? Many theories have been advanced as to the cause, none of which, however, took root until investigation was started in New York into building conditions. Blame has

been bandied about so readily and indiscriminately that little or no credence is given to assertions of this character. Capital and labor have been hurling charges at one another so long that it has only brought confusion, and the press has been chasing and printing rainbow stories so regularly relative to the housing situation that an atmosphere of doubt and pessimism has been created in the minds of the people. Concrete action is required, for unless this pessimism is removed there must be chalked up a failure of government in our domestic affairs. This we cannot permit; for with all its shortcomings, ours is the best government in the civilized world.

Permit me, however, to outline briefly, as I see them, some of the fundamental reasons for housing shortage. First was concentration of all effort and material for purposes of winning the war; second, breakdown in the country's transportation facilities; third, inflation of currency and credit, due to demands for war purposes; fourth, high fictitious prices through profiteering in practically all materials that enter into house building, and fifth, failure of the Federal, state and municipal governments to cooperate.

As to the first three they were visible to all. The first is no longer a factor, the second is functioning much better and is being gradually corrected. The falling of prices and the soaring of stocks in the air with no place to light is evidence that the balloon has burst and that sound legitimate credits, such as property, will again come into their own; especially will this be true when the profiteer and speculator in the necessities of life are put in their proper places. While it was generally felt that profiteering prevailed, it was never fully determined until a searchlight of impartial investigation was turned upon building of all kinds in New York. So far it has caused some individuals and firms to plead guilty, and indictment is hanging over the heads of others. Since the collusion has been so completely established and exposed, the Federal Government is taking up the matter. Let us hope for thorough investigation and prosecution to the limit. The action and its results in New York confirms the fifth reason.

## As to Intervention

WHILE heartily agreeing with this action of state and federal governments, I do not want to be understood as being one of those who believe that government intervention or control of the legitimate activities of its citizens should be continued or that such action would be a panacea for our ills or problems.

Labor, I might say, as represented by the American Federation of Labor, stands for the private ownership of property. Hence there is another strong reason for its interest in the building of more houses. Labor distinguishes, however, what it believes to be purely functions of government and that which belongs to private enterprise and activity; and since there is a wide difference of opinion among all classes on this subject, labor has ample grounds for agitating its principles on this question into the laws of the land.

This brings us to the question whether government should cooperate in the housing situation. Much criticism and condemnation have been indulged in on



and properly function on a domestic condition so vital to government and society as a whole.

account of what has been termed waste, extravagance and inefficiency in the erection of houses during the war to shelter comfortably and decently those of our citizens whose labor was producing war materials and instruments of war. Some of the daily papers recently carried editorials after the Government had received bids for the purchase of York Ship Village in Camden, N. J., estimating the Government's loss thereon and decrying the fact that the houses had ever been built. Well, I am inclined to believe any one who has ever seen York Ship Village will say that the project would be a credit to any Government. It can be said, in all fairness, that the building of these houses was permanent constructive work, conducive to peace and tranquillity, from which there will be a considerable return.

No doubt labor will cooperate to the fullest extent in a campaign of house building; and while labor has been charged with profiteering and holding up construction, it welcomes drastic and searching investigation by federal and state governments into the activities of every interest which in any way furnished materials or contributed in the erection of buildings. It has nothing to conceal and nothing to fear. It is employing the *keenest experts* obtainable to ascertain all the facts in the operation of industry and commerce in order that the public may be fully informed of the real cost of production and distribution and whether there is unfair manipulation or collusion that increases costs beyond normal; also if there are any who are receiving any part of the joint product of capital and labor through unnecessary handling or holding of it or without being a contributing factor in its production.

Organized labor is here to stay because it is founded upon the Christian principles from which this Government gets its basis, and conforms to Christian doctrine in its relation to government. It has no transactions that are not open to inspection or investigation; its deliberations are open to the public; it is a

factor in government that has functioned remarkably in the development and progress of our country, and is ready to cooperate with all agencies in the production and development of things which make for greater comfort and higher standards for all the people.

All it asks in return is full information and publicity of all transactions and matters with which it is cooperating so that the country at large will know what is taking place and whether it is honest and aboveboard—in other words, a square deal for all.

### Why Federal Incorporation?

THE Foreign Commerce Department of the Chamber of Commerce of the United States has just made public two principles it has approved looking to the federal incorporation of American companies doing business in China and their exemption from certain taxes that other foreign companies do not have to pay. These principles are:

"American companies formed primarily for China business and operating in China should be given the privilege of federal incorporation in order that they may have a standing as American companies, under a single set of legal requirements and regulations, which it has been difficult for them to get and maintain when operating under the laws of the individual States, the requirements of which vary and are not generally known in China.

"Such American-China companies, so far as taxation is concerned, should be placed on an equal footing with the companies of other competing countries."

This matter was brought to the attention of the National Chamber by American chambers of commerce in China. These chambers contend that federal incorporation is sought in order that companies made up and managed by Americans, in which more than 50 per cent of the enterprise is controlled by American capital, may operate under a single set of clearly understood requirements. For the success of a China business, it is pointed out,

it is often advantageous to encourage Chinese capital to come into the corporation with American capital. In order to gain the confidence of the Chinese investor and of the Chinese business man who may enter into contractual relations with the corporation, it is regarded as most important that companies should operate under a single set of known requirements, rather than under the varying regulations of the individual States.

The question of exemption from federal and state income taxes and excess profit taxes on such corporations is of very immediate importance, these chambers of commerce and American business men in China point out. American companies are meeting with hard competition in China, especially from British companies, for British laws have recognized the special requirements of the China situation, and have made it possible for British companies operating in China to do so without paying corporate taxes in England. American companies are at a distinct disadvantage in competition with such British companies.

Some opposition to the proposal to exempt American-China companies from federal taxation has been voiced on the ground that Americans doing business in China would thereby be receiving favors which Americans in no other foreign country enjoy. The Americans in China, however, claim that as a matter of fact they simply want to be put on a basis of equal competition with other foreigners in China, and that federal legislation is necessary because of the peculiar nature of the laws of China and the existence of extra-territorial court jurisdiction there.

If a group of Americans in China form a corporation for China business, and are forced by the inadequacy of Chinese law to obtain American incorporation, these Americans feel that such a corporation doing business in China should not be subject to American taxes any more than a corporation made up of Americans doing local business in France or any other foreign country.

# Government Must Clear the Way

Facilities, not subsidies, are needed to start the country on its long-neglected building program; tax reforms that may help break the deadlock

By SENATOR WILLIAM M. CALDER

*Chairman, Senate Committee on Reconstruction*

WHEN CONGRESS enacted legislation in 1917 which provided for governmental construction to house men and women employed in war work, I said in the Senate that the action of the Treasury Department and of the Federal Reserve Board in discouraging loans for construction purposes would finally bring upon us a serious shortage of homes. Since that time I have been constantly urging that Congress take action to encourage building and that this Federal action should be to provide facilities rather than subsidies.

In April, 1920, I introduced a resolution in the Senate which provided for an inquiry into this very subject. The president of the Senate appointed me chairman of a committee of inquiry which has visited many of the larger cities throughout the Nation and has learned that there is an increasing shortage of homes, not only in every city in the country, but in nearly every hamlet.

There are some who have not had the

problem brought home to them or who, having divergent interests, believe that such matters will right themselves. But they are not righting themselves.

In Massachusetts laws have been passed permitting the municipalities to bond themselves for the purpose of erecting homes for its people. Other States, including my own State, New York, in response to popular demand, have passed laws restricting the landlords from exacting extortionate rentals, but these laws have at the same time had the effect of stopping the building of more homes. Many of the conservative business men of the country already apprehend the moral and economic dangers of paternalism and are eager that every facility should be provided for the man who wants to own his home and help himself.

I am not an alarmist, but I warn the country that unless every practical and economically sound facility is afforded to the active resumption of construction work, this

continually increasing housing shortage may bring about such a state that paternalistic subsidy legislation may be resorted to.

The Senate Committee on Reconstruction, of which I am chairman, has had under consideration several bills, some of which it has already recommended to Congress.

FIRST. To take away from the Interstate Commerce Commission the power to declare an emergency and allocate the railroad facilities of the country, in times of peace, without the formality of a hearing and report.

SECOND. To make it the duty of some impartial Federal authority to report to the people of the country monthly upon the condition of the coal industry, its production, distribution and storage and the fluctuations in the cost of its production, in order, if possible, to prevent panics or abuses through lack of knowledge on the part of the public concerning this most basic industry.

THIRD. To establish a bureau in the Department of Commerce which may serve as a clearing house of the best practices and knowledge in the building industry.

FOURTH. An amendment to the postal savings

law by paying the depositors quarterly a more adequate interest rate, and by compensating the postmasters for conducting the postal savings branch of his work.

**FIFTH.** To amend the Federal Reserve Act so that the Federal Reserve Board may have the power to authorize the investment of savings deposits in national banks in long-term securities, such as mortgages on homes, thus giving such deposits greater security and supplying the long-term money market with additional funds, this market having been gradually curtailed during and since the war.

**SIXTH.** The Home Loan Bank Bill which, through the instrumentality of the building and loan associations of the United States, may place at the disposal of the home-owners and home-builders one billion dollars more than is at present available for home financing. It is proposed to accomplish this by means of the sale of bonds by District Home Loan Banks located in each Federal Reserve District, the Home Loan Bank bonds being secured by real estate mortgages deposited by the borrowers, the borrowers being the building and loan associations, which are both stockholders and members of the district banks.

**SEVENTH.** An amendment to our revenue laws which will make profits on the sale of capital assets assessable for taxation during the years of their accrual rather than at the tax rate of the particular year of profit realization. This will facilitate the sale of buildings, without which the building industry is stagnated.

**EIGHTH.** A further amendment to the Revenue Act which will provide that, for a period of five years, profits derived from the sale of buildings occupied exclusively for dwellings will be exempted from taxation, provided such profits so exempted are reinvested in the construction of new dwellings, accompanied by new money, dollar for dollar.

**NINTH.** A further amendment to the Revenue Act making small holdings of real estate mortgages exempt from the Federal income tax, when in the hands of an individual.

I am primarily opposed to all exemptions from the Federal income tax law, but the drifting of money away from the mortgage market has been so great, and it is continuing at such a rate, that we must either forego the making good of our housing shortage until all tax exemptions are abolished, or else adopt temporary measures of this sort, pending the abolition of all tax exemptions.

I believe that the entire business of the country today is unnecessarily tied up by the centralized system of Federal tax administration in Washington and that the functions of the Washington bureau should be supervision rather than administration. I propose, as a member of the Committee on Finance of the Senate, to urge the decentralization of our Federal taxation system, so that a citizen may go to the authorities in his own locality and settle his tax matters finally and promptly each year.

But there is another most important consideration for both the construction industry

as well as all other industries, and that is the matter of direction of credit.

Until the United States entered the World War, it was a debtor nation; some six billion dollars or more of our securities, representing plant development in this country, were held abroad. But with the advent of the war,

with resulting increase in prices, until in June of last year it became apparent that these foreign markets would not materialize, and then prices fell rapidly.

According to the Comptroller of the Currency, the increase in loans of all banking institutions of the country during the twelve months

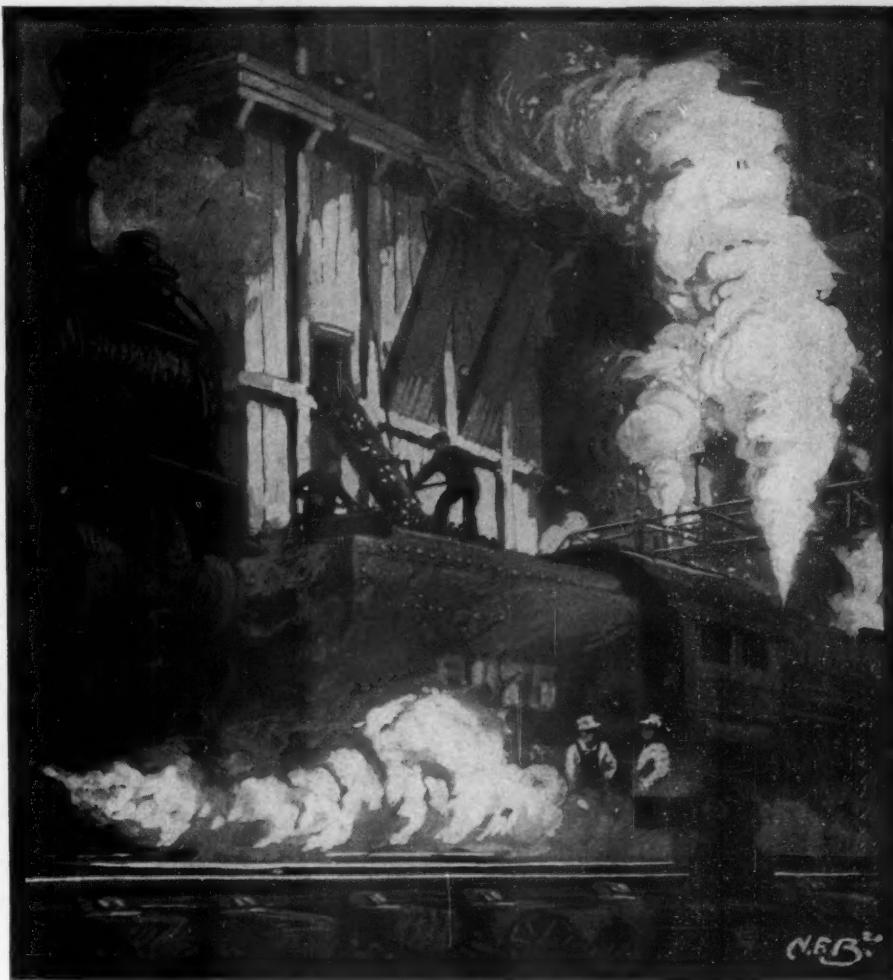
ending June 30, 1920, was nearly six billion dollars, a sum equal to about one-quarter of the entire cost of the war. Is it not reasonable to infer that this remarkably increased credit has been used for the production and hoarding of commodities rather than to plant development, and that the hoarding has kept up the high cost of living, and, therefore, the cost of construction? It has now been decided to revive the War Finance Corporation in order to encourage the marketing of these commodities. As I favored rent regulation as a necessary palliative, I have also favored the temporary revival of the functions of the War Finance Corporation as a temporary and necessary palliative, but I have not deceived myself that either of these plans offers a permanent solution.

The question which I have been turning over in my mind for months is why have we not used a larger part of our surplus labor and materials for the upbuilding of our own national plant; built more homes so that rents may be lowered; improved our railroads so that our goods can be promptly moved to market; improved our terminals, our coastwise ship-

ping and our inland waterways.

The answer may be found in various considerations. In the first place, it has been thought desirable to keep loans on a short-term basis during the reconstruction period; in the second place, governmental regulation affecting railways, public utilities and even houses has made capital uncertain of the returns which it will receive from such investments; and in the third place, the use of this vast amount of expanded credits, coming as it did at a time of inflation due to war loans, has greatly increased the cost of commodities and, therefore, the cost of living, with its resulting effect on the cost of building railways, houses and other permanent capital investments.

From the experiences of England and France, in attempting to solve their housing problems, we know that it is impossible to solve ours through Federal or State paternalism, because in doing this the Government would be attempting to subsidize itself, and it is to be hoped that our reconstruction process will proceed through private initiative and enterprise, with recognition that it is the duty of the Federal Government to remove the impediment and devise a way, rather than to attempt to absorb extra costs through direct government contribution.



Expanded credits greatly increased the cost of commodities and, therefore, the cost of living, with its resulting effect on the cost of building railways, houses and other permanent investments.

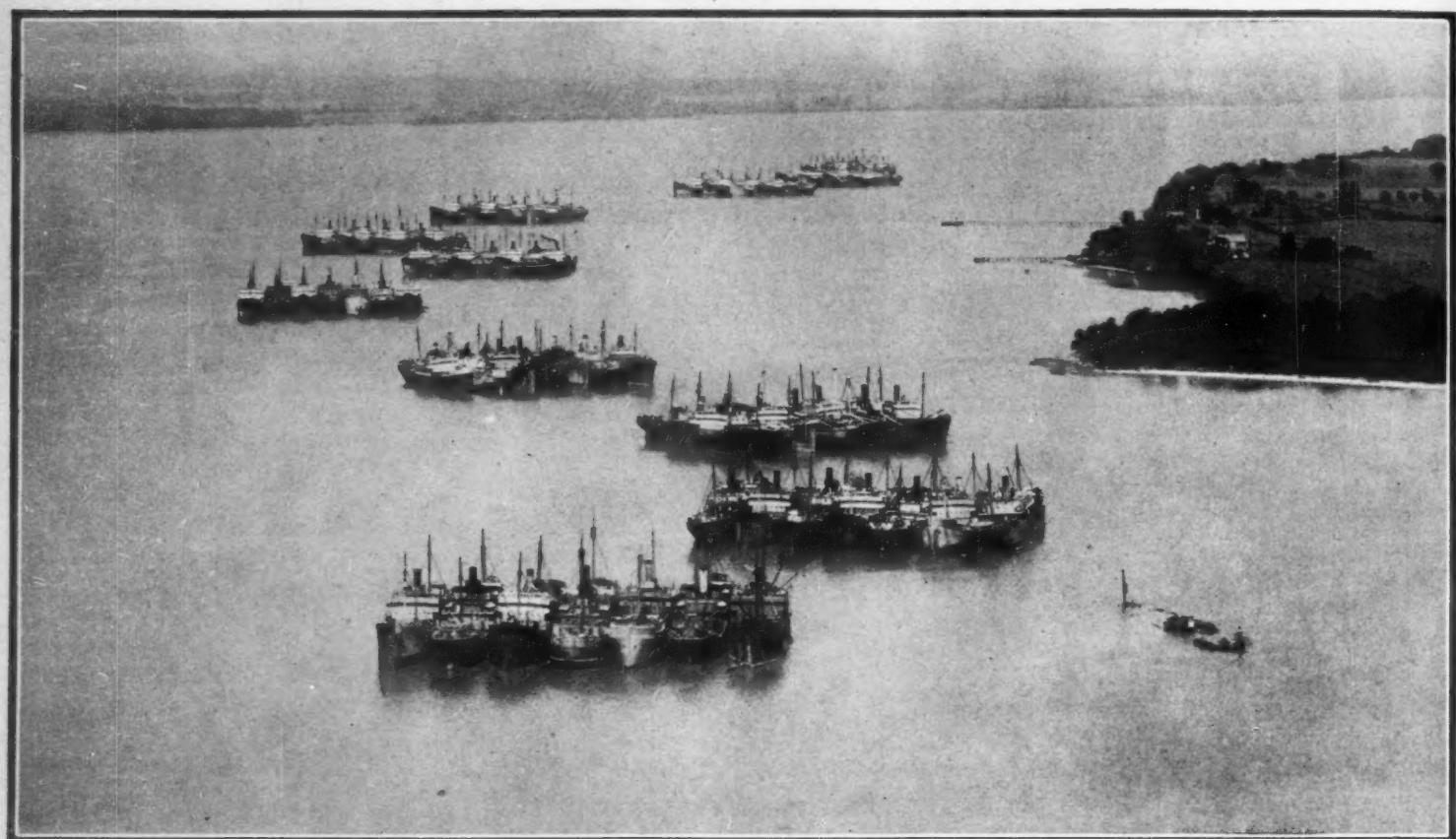
this source of capital for plant development was eliminated. We bought back these six billion dollars worth of securities, and ten billion dollars more, paying for them in commodity. Plant development in this country, except for war purposes, was curtailed, and housing stopped. During the past four years we have hardly made provision for the housing and plant development of a single normal year.

Before the war, 95 per cent of the business of the United States was domestic and but 5 per cent foreign, but it had built up a plant to supply the necessities of life to its people, until our quantity and cost of production had become the envy of the whole world, but with the advent of the war, exports of commodities greatly increased, at prices possible only because of the paralysis of foreign manufacturing plants. These were paid for, first by the return of our securities held abroad, and second by foreign loans. The export of commodities was, therefore, artificially stimulated by the non-productivity of foreign manufacturers and by the credit extended which, under peace-time conditions, could have had no justification.

After the Armistice was signed, this country had visions of a vast foreign trade and commodities were produced and hoarded,

# Listening in on Congress

Wit and fancy rescued from the oblivion of the "Congressional Record" and presented here as an intimate picture of our lawmakers as they struggle to get the will of the people on the statute books



Wooden steamers of the United States Shipping Board tied up in the James River, Virginia. As a matter of economy the board concentrated the vessels in one place, where they will be held until sold. There are seventy-seven boats shown in the picture, which was taken by the United States Army Air Service.

WHEN the walrus said that "the time has come to talk of many things" and then went into details he might have been looking ahead. "Shoes and ships and sealing wax"—all three have figured in the discussion of the Congress that met December 6 and will last until the new administration takes office.

How can shoes be avoided with a tariff on agricultural products under discussion and who can help sympathizing with the gentlemen from Pennsylvania who said:

"I am a purchaser of shoes. I see men wearing patched shoes. My own shoes are half-soled. I cannot afford to wear those \$20 shoes that we once bought for \$7."

As for sealing wax the debate on the bill which makes appropriations for the Department of State furnished that topic.

But ships! There both House and Senate found themselves at home, or rather at sea, very much at sea, for they were puzzled to learn what the Shipping Board was all about and they didn't hesitate to say so. Senator Edge admitted his ignorance:

I have tried, as far as possible, to dissect and analyze the recent report of the Shipping Board. I assume that it is absolutely correct—I have no reason, of course, to think otherwise—and, perhaps, it is in the usual form in which most of the departmental reports are issued, but I must frankly confess that I have been unable to secure this particular information (gross and net profits or

losses, capital, etc.) which, I think, of the utmost importance.

I doubt very much if the country appreciates that the merchant marine today represents an investment of approximately four billions of dollars, and that estimating the average rate of interest means a charge against the taxpayers of over \$650,000 a day. . . . The merchant marine investment, at this moment, represents 25 per cent more than the present estimated worth of the entire navy and all the equipment of the navy.

Nor is the House better informed. Chairman Good, of the Appropriations Committee, is talking of the item of \$147,000,000 for the Shipping Board and the Emergency Fleet Corporation:

The Shipping Board has been marking time very largely for some time. If it knows the condition of its affairs, it is unable to impart that information intelligently to anyone else. I doubt if it knows what its condition actually is. I think there is no division politically with regard to our opinion as to the lack of knowledge by this organization. Sitting across the table from the members of the subcommittee was the gentleman who has charge of the operations of all these 2,000 or more ships. Sitting next to him was Mr. Tweedale, the comptroller of the Emergency Fleet Corporation. With all of the assurance necessary to carry conviction of the truth of what he was saying, the man who was the director of operations said:

"We will make next year \$95,000,000. We will actually make a profit of \$95,000,000 next year in the operation of this organization."

Mr. Tweedale said, "We will not make a cent."

Both those men were right there together. You can not find out today how much a single ship made or lost that sailed six months ago. They know absolutely nothing about their business. . . .

MR. BARKLEY, of Kentucky: I was told the other day by a member on the floor that they had between five and six hundred ships owned by the Government and under the control of the Shipping Board lying in the harbor down near Norfolk, at Hampton Roads, not being used for any purpose, and for which a large fund is required for the purpose of guarding and looking after them. Does the gentleman know whether that statement is correct?

MR. WOOD, of Indiana: For the information of the gentleman from Kentucky [MR. BARKLEY] as to the ships at the mouth of the James River, I would say that there are some 250 of them. They are divided into units of 7. Each one of the units has 40 men guarding it and taking care of it and each man is receiving \$100 a month and his board. So that will give some idea of the dead loss, so far as expense is concerned, and shows the absolute necessity for selling these ships.

MR. GREEN, of Iowa: Does the gentleman think if they were owned by private parties there would be that many men guarding them?

MR. WOOD, of Indiana: I do not think there would be.

## From Ships to Chips (Potato)

BUT back to the land! Under consideration a bill to regulate the sale of foods in containers "so made as likely to deceive the purchaser."

MR. HAUGEN (defending the measure): I have here a number of exhibits. On this package the

space covered by the sticker indicates the space filled, and the space above the sticker represents the amount of the unfilled package. As will be observed, only about one-quarter of the package is filled, while three-quarters of it is unfilled. We also have here samples of deceptive bottles. The enlargement of the glass has a magnifying effect which deceives the purchaser. Then we have packages and bottles with inverted bottoms. Here I have a package containing 3 ounces of potato chips. Less than one-half of the package is taken up with the contents. It is unnecessary to say that with the present price of potatoes the manufacturer could well afford to fill the package to its full capacity and still sell it at a profit at the price at which this package is sold. Yet it is filled less than one-half full, with only 3 ounces in the package, while the capacity of a package is three times that amount.

MR. YOUNG, of Texas: The housewife goes into the market place. She wants to buy some of these articles, and there are on the shelf of the merchant two bottles, both of them, so far as the contents are concerned, looking alike. But here is a bottle that apparently has much more of contents than the smaller bottle, and yet the smaller bottle has twice as much of the ingredients as the larger bottle.

The housewife goes into the store for the purpose of buying a bottle of olives. This bottle sitting on the grocery shelf has the ability to enlarge the size of the olive. It has the further capacity of keeping the olives from fitting close together in the bottle. And when the housewife purchases what she believes to be luscious olives, to her consternation when she opens that bottle, she finds she has been defrauded; that she has bought small olives in the first place, and very few of them in the bottle.

We want to make these men act honestly. You go into a grocery store and call for a package of macaroni—any of you—and see what you get. I tried that out just before I left home. You get two-thirds space and one-third macaroni—a cheap article like that. The same thing goes through the whole category of manufactured products. Honest manufacturers admitted that the competition was so unfair that unless something were done they would be driven to unfair means themselves. It is up to this Congress to pass this simple legislation restraining dishonest men from selling empty spaces and fooling the eyes of the purchasers.

#### A Congressional Haroun-al-Raschid

MR. BLANTON, of Texas, has made personal observations of what goes on in the Executive Departments and reports his findings to the House:

I went through one of these buildings and saw a room which contained over 100 employees and not a single typewriter was clicking, but little bunches of young men and young women were standing in groups here and there laughing and talking.

I went to the supervising officer and said, "Do you permit this here?" He said, "What is it to you?" I said, "Just this: I am one of the atoms who help to appropriate the money that pays for all of this. Do you permit it?" Then he said: "What else can I do? Why, if I make a complaint I have got to put it in the form of charges, and I have got to let a trial be called, and before anything can be done I have got to substantiate those charges in a trial, and if I fail to do it—and it is almost impossible to do it, because when you get to a trial you will find enough witnesses coming in to back up almost every inefficient employee of this Government—instead of him or her going out of the service it will be my neck that is broken."

Later I went to the Secretary of War and I said, "Mr. Secretary, I have an expert photographer employed. I want you to give me authority to let him go with me through several of your departments here and take some pictures I would like to preserve." He said, "What do you want to do with them?" I said, "Well, Mr. Secretary, to be frank with you, I want to be able to show Congress when it meets that you are not entitled to the extra number of employees for which you are asking. I want to show the fact, among many others, that out here in these corridors in front of your office and elsewhere in this building there are 15 to 20 negro porters and messengers doing nothing but laughing, talking, and smoking their fine cigars." He said, "Well, I can not let you do it."

[Laughter.] "Why?" "You are interfering with an executive department of the Government. Congress has nothing to do with the executive branch of the Government. Your function is to legislate; my function is to conduct this department." I said, "Mr. Secretary, you ask us to appropriate. Is it our duty, as you see it, just to appropriate the sum for which you ask?" He said, "Yes, sir; you ought to take my word for it and not seek to personally investigate behind what I ask for." "How are we to know whether the appropriations are proper or not?" He said, "You ought to take my word for it and let your committee attend to such matters."

#### Picturing a Sad, Sad Sabbath

THE BILL for the public protection of maternity and infancy is before the Senate. Senator France, in charge of the bill, announces that "discussion will be most helpful and informing" and the Senator from Colorado proceeds to paint a picture of a regulated Sunday of the future:

MR. THOMAS: The Nation is not as happy now as it was 25 years ago. We are more discontented, more dissatisfied with our condition and that of the body politic, and therefore we are clamoring for more statutes, like the inebriate who, prior to the 16th day of last January, was prone to cure his malady by prolonging his debauch.

Of course, the remedy for that is another constitutional amendment of some sort, a bigger appropriation, and a vast increase of the bureau or the agency designed to enforce it, and I have no doubt, Mr. President, that when those who honestly believe that prohibition will prohibit discover as time goes by that there is a vast distinction between an act that is prohibited and a country that is dry they will demand additional legislation, possibly in the shape of blue laws to take the sun out of Sunday, and make it a crime for a man to kiss his wife on the Sabbath day. When that good time comes, if it fails to restore all morality of the public to the extent and to the degree for which men clamor, other legislation more drastic in character will in all probability be enacted, in consequence of which husband and wife will probably be locked in separate rooms, the children put in the barn with the horse or taken from their parents, the gasoline tank emptied late Saturday afternoon, and the chauffeur put in jail until the holy time shall have elapsed, so that men and women shall be good, virtuous, and happy in the freest country under the shining sun.

#### What's a Decimal Point Between Friends?

SENATOR HITCHCOCK, of Nebraska, wishes to reassure the Senate that the \$100,000,000 appropriated in 1919 for the relief of the starving people of Central Europe was spent wisely and he goes into detail as to the \$11,000,000 spent for child-feeding "for which no obligations of repayment were taken."

MR. HITCHCOCK: In Table B we find a summary of the total of children's relief deliveries paid for from the congressional fund, for which no funds or securities were taken up; in other words, 3,446,000 tons of breadstuffs, 4,000,000 tons of rice, 4,600,000 tons of beans and peas, 1,500,000 tons of meats and fats, 15,000,000 tons of milk, and 5,000,000 tons of cocoa and sugar.

MR. WADSWORTH: Mr. President, is it not pounds instead of tons?

MR. HITCHCOCK: No; tons.

MR. WADSWORTH: Fifteen million tons?

MR. HITCHCOCK: Metric tons. It is a perfectly huge affair, and we have no conception of the enormous relief that has been rendered. This organization has actually saved the lives of 6,000,000 children, and Mr. Hoover is engaged at the present time in a gigantic effort to raise \$33,000,000 in this country to give relief.

MR. WADSWORTH: I do not want to seem to detract from anything Mr. Hoover has accomplished, but 15,000,000 tons of milk is much more than a ton of milk per child.

MR. POMERENE: Two and a half tons.

MR. REED: Two and a half tons per child for 6,000,000 children.

MR. WADSWORTH: It must be pounds.

MR. LA FOLLETTE: Let it go at pounds.

MR. HITCHCOCK (later in the debate): My attention is called to the fact at this moment that in reading one of the tabulated statements I made the mistake of using in all cases the term "metric tons." The figures in the statement are in thousands of metric tons, but the last three figures in decimals of metric tons, which I am sure will relieve the minds of those Senators who thought they saw a mare's nest in a perfectly plain business statement.

#### Senatorial Lamb Chops

BUT THINGS nearer home again demand attention. It's hard to keep any debate away from prices. No two men meet but the subject of prices comes in and Congress, after all, is made up of men. Mr. Kendrick, of Wyoming, presents a letter showing that a load of 1,986 ewes shipped to Chicago brought \$3,878.11 and that the transportation, commission and other charges were \$3,224.66.

MR. KENDRICK: I omitted to give the net receipts per head for this shipment of stock. They were a trifle over 32 cents per head.

MR. WARREN: I understand, then, that the total net proceeds to the producer—the grower—was a trifle over 32 cents a head for those sheep, which cost him to raise not less than \$6 to \$8 each per head.

MR. KENDRICK: It was 32 cents and a fraction per head.

MR. McCUMBER: If I understand the Senator correctly the producer of the sheep received for each sheep something less than we pay for one lamb chop.

MR. KENDRICK: In answer to the Senator from North Dakota, I will say that 32 cents would undoubtedly be less than the price charged for a lamb chop.

MR. McCUMBER: I think I am paying something more than that.

Senator Smoot, of Utah, also is moved by the cost of living:

MR. SMOOT: I generally keep a record of what I pay for goods in the District. I notice that on the 14th day of December, 1912, the best sirloin steak which I then bought in the District of Columbia, 4 pounds, cost \$1, or 25 cents a pound. I have a bill here that was rendered on the 9th day of the month for 4 pounds of the same kind of steak, which cost \$2.20—120 per cent increase in the price of steak, while the price of the meat being sold by the packers, so called, is very little different now from what it was on the 1st day of December, 1912.

Last month I was coming from Los Angeles to my home. I took a party to dinner on the dinner. On the menu card there were steaks, and the price of each appearing. I noticed that a small steak was \$1.50; a full steak \$2. My friend said, "Let us have a full steak, and that will be ample for two." The waiter said, "Oh, yes, sir; that is ample for two." We ordered it. It came in to us. I think it weighed about 4 ounces. It was not enough for one, and it cost \$2. I had sent to me a menu card from Seward, Alaska, and I thought to myself, why is it that a full steak in the United States costs a great deal more than a full steak in Alaska? Why is it that eggs in the United States cost more than eggs in Alaska? I see from my bills that eggs are \$1.10 a dozen, or were yesterday. But in this menu card from Seward, Alaska, I noticed that not only meat, but practically everything else, costs less, even salads and relishes.

#### As to Mr. Griffin's Underwear

MR. GRIFFIN, of New York, makes a more intimate revelation:

MR. GRIFFIN: The printed report of the committee states that there are approximately 600,000,000 pounds of wool in storage in the United States. Winter is upon us and the people need clothing. Many of us are wearing clothing several years old because we will not stand to be gouged by unconscionable profiteers. I sent to the store the other day to get a couple of wool union suits, which three years ago I paid \$6 for. Today they are demanding \$18. I will do without them!

# Abundance Here—Death in China

Across the Pacific, millions of our good friends are starving; to whom can they turn but to us who are blessed above other nations with great stores of food?

By THOMAS W. LAMONT

*Of J. P. Morgan and Company; Chairman, China Famine Fund*

POSSIBLY no humanitarian effort ever undertaken in the United States on behalf of the citizens of another nation has been rightfully able to claim such endorsement and support among Americans as the present call for the relief of the starving millions in Northern China. No question of world politics, of religion or of international propriety enters here. It is the simple appeal of a friend living far across the seas, whose pantry is empty through no fault of his, and whose family is dying of hunger. He is our friend, not only, but our business customer as well.

Briefly the facts of the China famine are these: In the five northern provinces of Honan, Shantung, Shensi, Chihli, and Shansi, three crops have failed owing to drought. During the last year and a half the normal rainfall decreased from 25 inches to less than 3 inches. Last fall most of the farmers were forced to use their seed grain to keep their families alive; and those who did plant, encountered still another failure.

That was the final blow. Farm animals had to be sold, houses were torn down for fuel, one by one the possessions of the great agricultural class were sacrificed to buy the meagre supplies of food forthcoming from neighboring provinces. Now, with winter's cold, the conditions among the 45,000,000 people in the five provinces affected are indescribable. Fifteen million are in immediate danger of death, and thousands are dying daily. Harrowing reports have reached us of the suicides of families, of the abandoning of children, of the selling of little girls and boys and of pestilence following in the wake of the famine.

## Our Great Task

MANY out of these starving millions in northern China must die unless the outside world feeds and clothes them until the next harvest in June. And the lion's share of the task falls to America, proverbial friend of China. It is to us that they are looking, in their despair.

This disaster comes just as China seems on the threshold of a new and mighty commercial era. Unless it is alleviated, unless the great agricultural country of the north is prevented from becoming a barren, depopulated waste, that promised era, the pros-

perity of which America will largely share, must be indefinitely postponed.

It cannot be impressed too strongly upon

mining machinery both for the baser and for the precious metals. Finally, those 400,000,000 of kindly, honest and highly intelligent people will require, on a prodigious scale, the many domestic appurtenances that American ingenuity has evolved. Don't forget, too, that to keep 400,000,000 people supplied with moving-picture shows will be quite a task even for Americans.

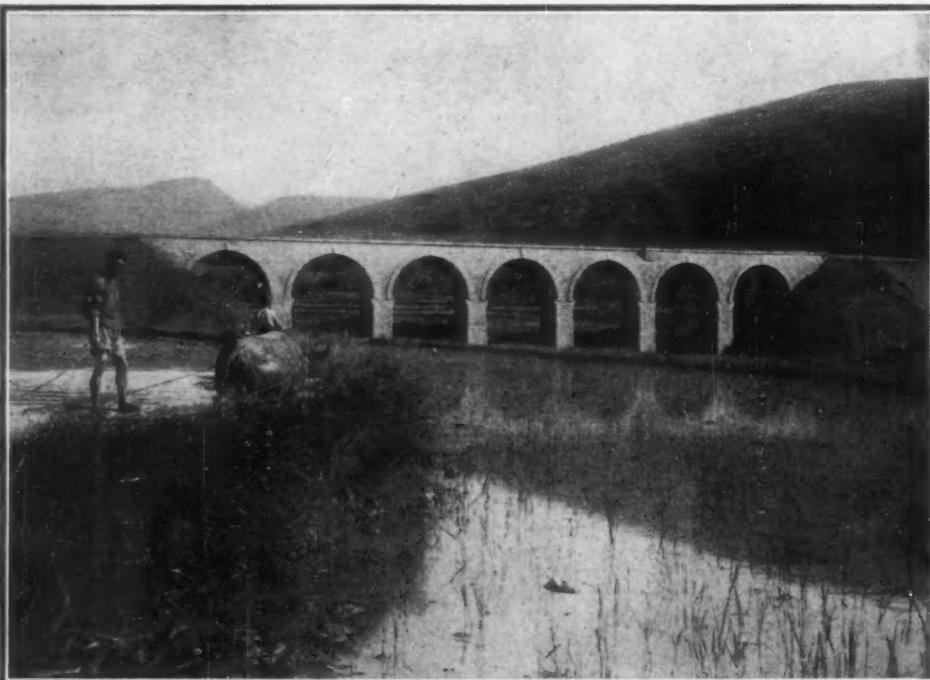
Those are some of the commercial prospects in China, eventually sure of realization for America. In the face of the present famine disaster, unless we come to the rescue with promptness and generosity equal to the urgency and depth of the need, that realization must, I fear, be long delayed.

If adequate relief measures are not promptly carried through, the situation may result in something near to a collapse of civilization throughout the enormous area—covering about 100,000 square miles—of the affected provinces. Farming is carried on to a considerable extent by the use of draught animals, cows and donkeys. These have practically all been killed for food or sold out of the country. A complete collapse of trade throughout northern China is a possibility, if the outside world does not come promptly and generously to the rescue. This would, in turn, result in serious financial conditions for other large sections of China.

The resources available for the use of the Chinese Government are too small to go far toward meeting the crisis. Chinese private benevolence has reached an extent never before known, the substantial men of the main centers of population fully realizing the awful menace gripping their brothers in the north.

## All Depends on America

BUT so great is the task that China's own efforts and those of the foreigners resident there will be rendered practically futile unless this nation exerts the full strength of its philanthropy. December 10, President Wilson issued a public appeal for funds for Chinese Famine Relief, at the same time requesting 130 representative Americans to act as a country-wide committee in the whole matter. Work was at once begun toward meeting the emergency systematically—gathering funds without resorting to the inten-



Chinese farmers at work in a rice field. For three successive years droughts have blighted these crops. Fifteen millions are in desperate need; 45,000,000 are affected. These friendly people are driven to selling and killing their children to save them from lingering death.

the business men of America that in China's march forward, she is looking to America as her guide, her counselor and her friend. This feeling is due to several circumstances—one the renunciation for almost twenty years by the United States of her share of the Boxer indemnity, a good part of this fund having been devoted to the education of Chinese students in America, and a greater reason for China's friendly sentiment is that the United States has never sought to exploit China nor dominate any part of her territory.

The Chinese are intensely human. They fully appreciate the spirit of sympathy shown by America. They give us their confidence, and of course this confidence is a tremendous business asset to America. Now we are presented with a new opportunity to justify it.

I never imagined—until I went out there—a region calling for the products of American industry as strongly as China will call in the next twenty years. A great system of railways must be built over the country and its inception should not long be delayed. Those railways will require a fair share of American steel, of American bridges, of American equipment. The country calls for electrical equipment—for all the multitudinous forms of farming implements required in that intensely agricultural land, now cultivated with the rude implements of the long ago. China will demand cotton mill machinery on a large scale, and machine-making tools. Then it will require quantities of

sive "drive," or interfering with other relief campaigns.

Religious and missionary interests have entered the work with a tremendous zeal. One by one our social and civic elements are becoming aroused, and are giving their help. The farmers of the great Middle West are offering their corn. Theatrical managers and their actors offer to help with special performances; a labor union promises the efforts of its members gratis to swell the total. The vast business interests of the nation, represented by individuals and associations, are waking up to the immensity of

the task the President has called upon us to meet, and a realization that the disaster overshadows any other; perhaps the worst in the history of the world.

Distribution of relief in China has been arranged and every facility has been secured to maintain a steady flow of food and clothing and medicine into the stricken area. The brunt of the actual work of ministering relief in the field falls upon the willing shoulders of the missionaries—Catholic and Protestant—acting in conjunction with the Chinese Commercial Guilds and Chinese Red Cross.

In conclusion, I will quote from President Wilson's proclamation:

"Our diplomatic agencies in China inform me that the loss resulting from death in distressing form may run into millions of souls. Relief to be effective should be granted quickly. Once more an opportunity is offered to the American people to show that prompt and generous response with which they have invariably met the call of their brother nations in distress."

One dollar of American money will save one Chinese life. Are we going to let China starve?

## The Railroads' Real Rulers

And in particular, Clark, ex-conductor, who heads the Interstate Commerce Commission, and who became an "eminent sociologist" by a stroke of Theodore Roosevelt's pen

By JAMES B. MORROW

**I**N THE BEWILDERMENT caused by words—millions of words, uttered and written, for most part, in ignorance or self-interest—the people, otherwise the voters, male and female, of the nation, have failed to realize that they now, at this particular instant, control ("Control, verb; to exercise control over, hold in restraint or check; direct; regulate; govern; dominate"—Century Dictionary) the railroads of the United States.

This is done, not by the people directly, which would be harmful to everybody, but by authorized agents. All things governmental are done in this country through agents, acting for the people, and the people, in the main, choose the agents. This great underlying fact needs constantly to be restated.

The voters in 1918 elected a Congress; in 1916, a President. That Congress and that President are jointly to be praised or censured for the Transportation Act of 1920 for that is the act that gives to the Government in Washington full control of the railroads.

But not the power to operate them—that is, to run them. The proprietors still enjoy that right. It is that right, and that right only, over which railroad labor and railroad capital are now contending.

Capital insists on operating the railroads because it owns them. Labor seeks to operate them because it wishes to dictate its own terms; its working conditions, its hours of labor and its wages. All talk about better service to the public is claptrap.

### No Danger of a Surplus

**S**O is the talk about turning a prophesied surplus into the National Treasury. A tangible deficit, on the contrary, and a huge one, would, under Government ownership and Government operation, be taken out of the Treasury, out of the taxes collected from the public. It is neither well in wisdom nor in patriotism to be mealy-mouthed at this juncture.

Having greatly added to its power over the railroads, over their finances, their income and their outgo, the Government has given the railroads certain guarantees. This was done not so much to help the railroads as to increase their facilities for moving the nation's goods.

The Transportation Act of 1920, for in-



©Harris & Ewing

Edgar Erastus Clark

stance, promises the railroads a return of 6 per cent on their capital investment—provided they can earn it by capable management. Money today is worth from 7 to 8 per cent. If it were worth but 4 per cent, lent on land mortgages or industrial bonds of the highest quality, 6 per cent dividends on railway shares would be most reasonable and moderate.

Freight rates and passenger fares, then, must be high enough to meet the 6 per cent promised by law. The arithmetic in the problem begins with the finding of the money values of the railroads. Six per cent on what sums? The function of ascertaining the sums was given by Congress, in the law of 1920, to the Interstate Commerce Commission, a body of eleven men (agents of the people), appointed by the President of the United States, who is the chief national agent of the people and is chosen by the people themselves.

Values being found—an immense and complicated undertaking in itself—the next step,

under the new law, is to establish freight rates and passenger fares at a level where the earnings of the railroads, all expenses deducted, shall equal a 6 per cent profit to the owners of the properties. This function is also performed by the Interstate Commerce Commission, as agents of the people and responsible, through the President, to the people.

Furthermore, no railroad can increase its bonded debt (give a new mortgage) or add to its capital by the sale of shares unless it has the consent, after a hearing, of the Interstate Commerce Commission. It must explain its needs in detail and have its needs approved.

The National Government, therefore, by its control over the capitalization of railroads, by its computation of railroad values and by its regulation of rates and fares for transportation, possesses all the primary and dominating elements that are inherent in ownership itself.

There are many other phases of the Transportation Act of 1920, all helping to entrench the Government's settled policy of supervising the carrying of freights and passengers, at cost, with a profit of 6 per cent added. The law was written by agents of the people and enacted by agents of the people. The President of the United States signed it and it is the duty of the Interstate Commerce Commission to enforce it.

In all the long and delicate process of authorship, enactment and enforcement only a single interest was thought of and that interest was neither organized labor, as such, nor organized capital, in itself. Instead, it was the people, all of the people, regardless of their business or where they are located. The law will be bettered when experience shows that it requires betterment and the work will be done seriously and without excitement.

### It's a Mighty System

**T**HE eleven agents of the people—actually there are only nine at this writing, two vacancies still existing—have jurisdiction over 250,000 miles of main tracks, on which there are 69,000 locomotives and two million and a half freight cars, and other property valued at twenty billion dollars. Next to agriculture, the railroad industry is the largest in the country.

In the ten-story building occupied by the

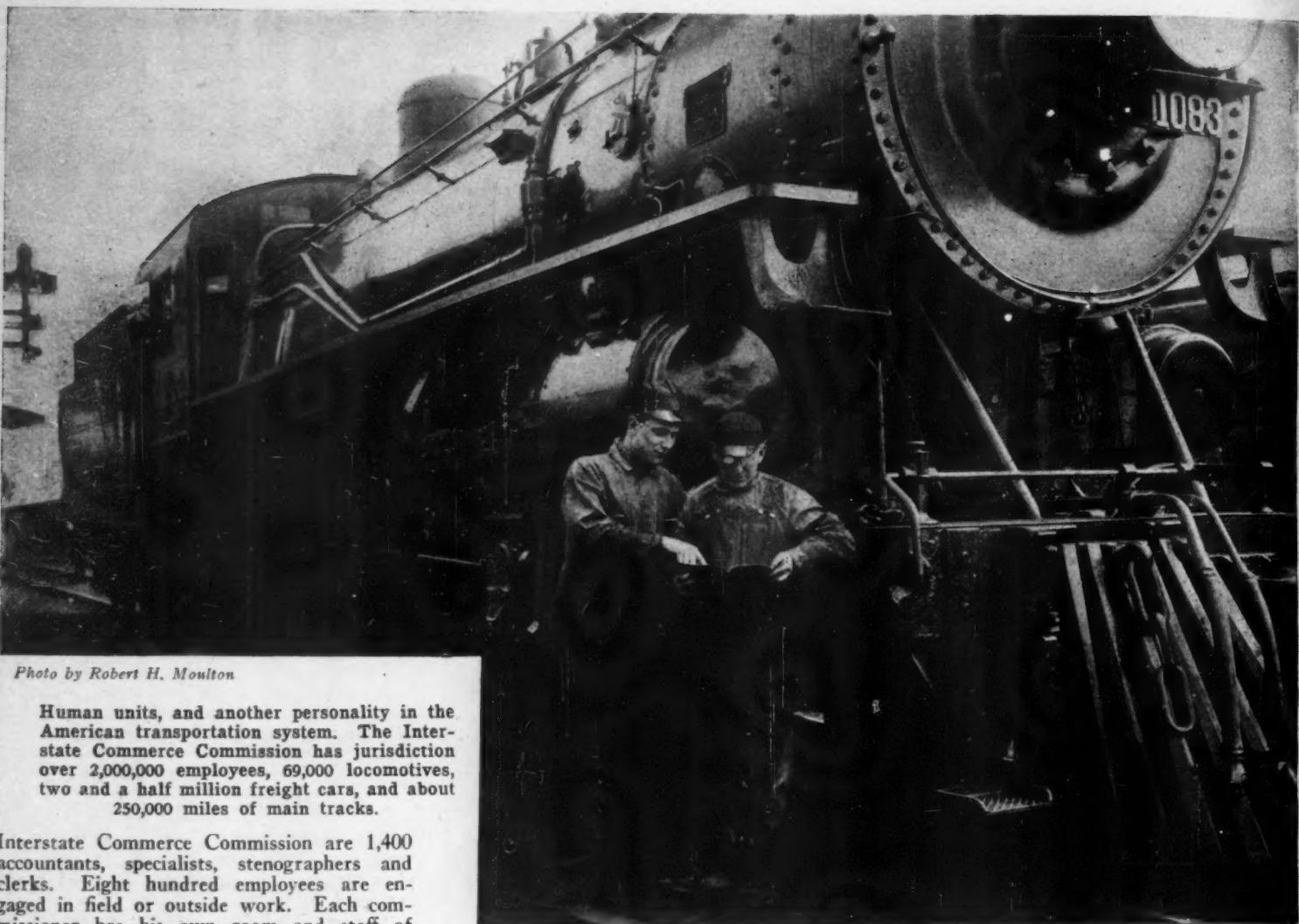


Photo by Robert H. Moulton

Human units, and another personality in the American transportation system. The Interstate Commerce Commission has jurisdiction over 2,000,000 employees, 69,000 locomotives, two and a half million freight cars, and about 250,000 miles of main tracks.

Interstate Commerce Commission are 1,400 accountants, specialists, stenographers and clerks. Eight hundred employees are engaged in field or outside work. Each commissioner has his own room and staff of secretaries and assistants. His term is seven years and his salary a thousand dollars a month. "Not more than six" of the commissioners, reads the law, "shall be appointed from the same political party."

Five of the nine commissioners are lawyers, three are college professors and one is, or was, a labor leader. All except the latter were university men and are "progressives," if anyone understands the actual meaning of that word when used in relation to politics or social questions.

Clyde B. Aitchison, age 46, practiced law at Portland, Oregon; Charles C. McChord, age 61, at Louisville, Ky.; Henry C. Hall, age 61, at Colorado Springs, Colo.; Joseph B. Eastman, age 38, at Boston—where he was counsel for street railroad employees in wage cases—and Mark W. Potter, age 55, in New York.

The college professors are Balthasar H. Meyer, age 55, political economy at the University of Wisconsin; Winthrop M. Daniels, age 53, political economy at Princeton, and Henry J. Ford, age 69, politics, also at Princeton.

Edgar Erastus Clark, age 65, is or was the leader of labor. He is chairman of the commission, having twice before held that post, and has been a member of the body since August, 1906. He is the only railroad man among the nine. In his youth he was first a brakeman and then a conductor.

A group of railroad men, minor officials and old acquaintances, were talking about the Clark appointment, just announced by President Roosevelt.

"Ed," one of them observed, "always was lucky."

"You may call it luck," Job A. Edson answered, "but I don't."

"Jo" Edson, then, as now, was president of the Kansas City Southern Railway. Years before he had been a telegraph operator for the Lake Shore, then a train master for the Union Pacific, then a division superintendent for the Missouri Pacific, then the manager of the Denver and Rio Grande. Doubtless there were men in the group who thought he had been lucky.

"It is not luck," Mr. Edson said. "I knew Ed. Clark when he was a conductor on the Rio Grande, running passengers and freights," he continued. "I saw him often, day and night, as I traveled up and down the line, and I noticed that whenever his train was on a siding that he was outdoors watching and waiting for the other train to pass.

"I also noticed," Mr. Edson went on to say, "that the ordinary conductor on such occasions remained in the caboose and took a nap, depending on his crew to notify him when it was safe to go ahead. Ed. Clark has not been lucky but has been a good manager of his job and of himself."

"Clark once told me something that I have never forgotten," Mr. Edson remarked to the writer of this article, in his office at Kansas City. "If a brakeman," he said, "walks to a switch to let a train on the siding, or walks back so as to flag any train that may be approaching, he is not of much account. If he runs, make him a conductor as soon as you can."

In workable theory and sound practice, as well as in years of service, Mr. Clark ranks first on the Interstate Commerce Com-

mission. His character, personality and methods, therefore, considering the new relations between the people and the railroads, are of much importance. They are also interesting, and, in a sense, not without the savor of romance.

A boy, at Lima, in New York, his birthplace, he aspired to be a blacksmith. As a volunteer, he pumped the village bellows and watched the man at the anvil hammer hot iron into horseshoes. But when Jimmy Murphy let him use his saws, planes and chisels the making of furniture captured his fancy and intentions.

But the father died and the mother moved to a farm in Minnesota. At the age of eighteen Edgar Erastus Clark was a brakeman on what is now a part of the Rock Island System. His future, however, as he read it, lay farther to the West.

"I stopped," he said to the writer, "at various places on the way to the Pacific Coast. At Ogden I was offered \$75 a month as a brakeman on the Central Pacific. I had been getting \$40 a month in Minnesota. In two years I had a train of my own. I was employed as a conductor on that road, on the Northern Pacific and on the Rio Grande until 1889, when I became an officer of the Conductors' Brotherhood."

"Who is the conductor?" William H. Bancroft, superintendent of the Rio Grande, asked, when he was told by telegraph that No. 8, with ten coaches of passengers, was waiting at Pleasant Valley Junction because a great storm was raging ahead on the desert. The conductor had advised remaining there until he could get reports that the

track, laid on sand, was safe, or returning to Ogden.

"It's Clark," the train dispatcher informed Bancroft.

"If it is Clark," said Bancroft, "tell him to use his own judgment."

No passenger that rode with Mr. Clark ever lost his life. No passenger was ever injured. When his train, freight or passenger, stopped for orders or to let some other train pass, Clark walked its length on both sides to examine its wheels, brake-rods and connections. "And he was not above making any repairs himself that were necessary," said Job A. Edson.

For sixteen years, 1890 to 1906, Mr. Clark was chief of the Order of Railway Conductors of America. When Theodore Roosevelt was serving as President, in what is loosely called his first term, he made a speaking tour through the South, timing his journey so as to be in Chattanooga during a convention of the Brotherhood of Locomotive Firemen.

Mr. Clark also went to Chattanooga and Mr. Roosevelt and he talked the same night from the same platform to the same audience. Clark spoke without notes and when he left the floor President Roosevelt grasped his hand heartily and said: "You are a man of unusual good sense."

That meeting, or that speech, brought a great change in Mr. Clark's life. The very next month President Roosevelt appointed him a member of the arbitration committee, agreed to by operators and miners, for the settlement of the now historical anthracite coal strike. Four years later, President Roosevelt made Mr. Clark a member of the Interstate Commerce Commission. Both President Taft and President Wilson have honored Mr. Clark with reappointments.

The facts of the coal strike and the settlement of the strike, the parties in interest insisted, should be ascertained and left to a committee composed of a United States judge, a conspicuous divine, an army engineer, a mining engineer, a coal operator, and an "eminent sociologist." Roosevelt desired to choose Clark as a member of the committee, but Clark fitted into no other class, so Roosevelt called him an "eminent sociologist" and gave him the appointment.

"This is my eminent sociologist," the President once said, in introducing a notable Englishman to Mr. Clark. The Englishman, impressed, bowed most gravely, while the President grinned and Mr. Clark had trouble in keeping his face straight.

Mr. Clark did not know that Mr. Roosevelt ever thought of him in connection with the Interstate Commerce Commission until

he read the notice of his appointment in the newspapers.

"There is only one way of making the railroads worthy of the country," said Mr. Clark, "and that lies wholly in the expenditure of money for extensions and improvements. And this money should be supplied by investors.

"I am not in favor, however, of letting the railroads earn enough surplus over expenses and charges to pay for the extensions and improvements that are needed and will be needed in the future. Such things are permanent and money-making additions to railroad property and should be capitalized—that is, provided for with money invested by our people in railroad securities."

"You were once opposed to the Government owning and operating the railroads," the writer observed. "Has there been any change in your opinion on that subject?"

"None whatever. The Government, under the best of conditions, cannot operate the railroads any more satisfactorily to the public than they can be operated under private ownership. This we know. Also we know that the Government cannot do it as cheaply. Deficits, were the Government to run the railroads, would be certain, and deficits would have to be met with money from the United States Treasury, with money raised by taxing the people."

## The Human Side of Business

Here are some of the traits and failings of that interesting animal, man; trivial as they seem, they are often the secrets of successful enterprise

By FRED C. KELLY

WHENEVER a man starts to launch a new enterprise or sell a useful but hitherto unheard-of article, let him stop and recall what happened when bathtubs were first introduced. Within the memory of many people still living, the bathtub was lambasted as a menace to democratic simplicity and a danger to health.

An ordinance was introduced in Philadelphia—and almost passed—to prohibit bathing between November and March. Boston made bathing unlawful except on medical advice. Virginia imposed a tax on bathtub owners of \$30 a year. Yet everybody knows now that having a bathtub in the house is a first-rate idea. Bathing was probably even more needed then. But people resented bathtubs because they were new. Many new ideas are made commercially successful. But usually there are difficulties. The public resents a novelty.

My friend Thomas E. Wilson, the packer, once told me that it is unwise to hire a man away from another job by giving him just a little more salary than he is getting.

"The thing to do," says Wilson, "is to pick out a man whom you can afford to pay considerably more than he is getting—maybe half as much again, or even twice as much. Then he is so enthusiastic over his new job that he works with all possible zeal and energy to make good at it."

Not long ago, at the most famous hotel in the United States, the cashier, an Irishman, hesitated about cashing a check for a newcomer. The guest indignantly showed his handsomely engraved business card which indicated that he was president of a big-sound-

ing corporation—The North and South American Development Company, or some such name. Still the Irish cashier hesitated. Smilingly he tapped the engraved card with his index finger and sagely remarked:

"Paper never refused ink."

There's a deal of philosophy in that. The remark should be remembered by all business men who are too easily impressed by a pretentious letterhead, or by a beautifully printed stock certificate. You can say anything you wish to on paper and the paper can't help itself.



People often ask why a circus doesn't drop most of the old acts that everybody has seen over and over again and give us new ones. The answer is that the circus managers are too wise. They know that the old acts are the ones people want.

When a father takes his little boy to the circus he wants to have the youngster see the same things that he saw when he was a boy—the things that he has been telling the little fellow about. The old acts carry him back to his own boyhood days, and therein lies much of the appeal of the circus to grownups.

Too many new acts in place of old ones would put a circus out of business. Thus we may note that every line of business is obliged

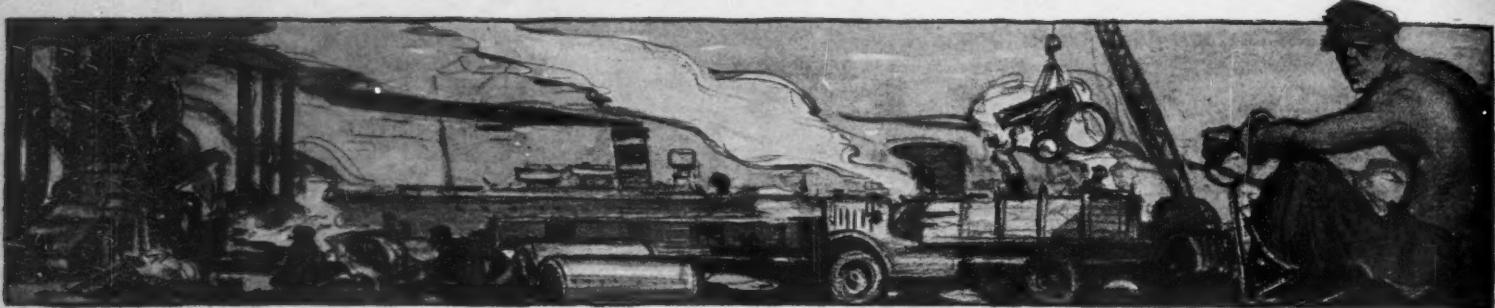
to solve its own peculiar problem of human psychology.

The public has learned to apply a different standard of judgment to circus advertising than to other kinds of advertising. A little exaggeration by a circus merely creates amusement and excites little if any unfavorable criticism. But even a circus would not dare to go too far in exaggeration. A circus announces that it has 42 elephants, when, as a matter of fact, it has a troupe of only seventeen. But—and here is the important thing—the circus *does have elephants*. No circus would dare advertise that it had one white elephant and then have no elephants at all.

A Cleveland man had a well-located candy store with a big soda fountain in connection. He knew he was making money on the whole, but kept no separate accounts at first to show whether he made it mostly from candy or soda. Then he changed his system and discovered that his soda fountain was barely breaking even. So he closed it down.

After that he made a startling discovery. With the unprofitable soda fountain out of the way, his candy sales dropped more than 50 per cent. In other words, half his candy sales had been to people who entered the store with no intention of buying anything but soda. Naturally he reinstated the soda fountain in order to boost the candy business—which it promptly did.

"We have only a fair quality of food," a restaurant proprietor confided to me, "but we do a rushing business simply because we keep the coffee urn near the door, and the odors from it are very savory and appetizing. I buy the best and charge it to advertising."



### At the Cross-Roads

**T**WO of the great basic industries of the United States are threatened with grave governmental encroachment. The Federal Live Stock (Packers) Bill has passed the Senate. The Federal Coal (Calder) Bill is before the Senate Committee on Manufactures.

If either of these bills is passed the Government will go beyond salutary regulation, and enter into the realm of operation of industry. And from meat and coal will be a short step to shoes and sealing wax.

The question involved, therefore, is not the power of Congress to enact such bills, however dubious their wisdom; it is not the interest of a particular industry or of two particular industries; it is not the regulation of business when the public good requires such regulation; it is not better service nor lower prices to the consumer, for it is inconceivable that this would result from the enactment of such legislation. The question is whether this Government shall, through bureaus and commissions, control and operate—not regulate—a private business undertaking.

We stand at the cross-roads. For the first time Congress seriously considers taking control of the functioning of a private industry not classed as a public utility. This Nation has become great because of the freedom—not license—it has granted the individual. The initiative and responsibility of the individual has brought us, collectively, to the vanguard of nations industrially. Some think we might have reached this goal if we had adopted a different course one hundred years ago. Paternalism, government control of business, root and branch, horizontally and vertically, brought commercial success to a certain European nation. It is doubted if our people, temperamentally different, could have fallen into step under an economic autocracy of the State; it is doubted if our political machinery was designed for the task. Shall we make the experiment today?

"Charged with public use," "trafficking in the necessities of life," "profiteering in the poor man's dinner,"—these are the phrases that becloud the issue. What public use is there in coal that is not in wool? Is not the coat on my back as needful to me as the coal in my stove? And is meat more of a necessity than bread? If the packers must be under a Federal commission, why not the millers and the bakers and the clothiers?

No, it is not the packers and the coal men who are in danger. It is your business and mine, it is the structure of American business built on individual enterprise.

Such legislation might have been expected. It is the back wash of war. Fighting for national life, business and individual with one accord submitted to great abridgements of freedom by Washington. But now with the emergency passed, those restrictions, not to mention new and more imposing ones, are repugnant to American ideas and ideals. The rallying cry last November? "Less Government in business." Economic sins of the war we must expiate; but why go blithely on, and add more to the already heavy score?

### In the Good New Days

**I**N THE GOOD OLD DAYS the argosies of commerce bore to our western shores ivory, apes and peacocks, spices and fabulous silks. Who does not sigh, in these prosaic and uneventful times, for a whiff of the romance which clings to clipper ships? Who does not long for a glimpse of the bellying sails of galleons afloat? Where are the thrills of yesteryear?

The thrills of yesteryear, most grave and reverend seigneurs, are here and now. Would you hang a story from the rectangular corner of a Sears-Roebuck billiard table? Know, then, that one of these tables, borne a thousand miles on the backs of sweating coolies, has traversed the stupendous gorges of the Yangtze, and now radiates its mahogany dignity through the palace of a tuchun in Cheng-tu, Szechuan. Across stones worn smooth by the sandalled feet of Mahomet's followers, in storied Trebizond, go Walkover shoes fashioned in New England factories. A Royal typewriter makes its staccato music in the halls where Catherine the Great held revel. The American Steel and Wire Company has laid barbed boundaries about the South American pampas and the African veldt. An American bridge spans a sullen stream on Christmas Island, south of the Fijis. Where flashed the scimitar of Genghis Khan gleams the compact elegance of a Cadillac. Gillette razors are sold in Dakar, Vacuum Oil in the shadow of the pyramids; and Cortez in his march of conquest crossed the future line of an American-built railroad.

"He that works and *does* some poem," says Carlyle, "not he that merely *says* one, is worthy of the name of Poet."

Salute, then, as the modern poet, the American billing clerk.

### "Fantastical"

**A**DDRESSING the National Merchant Marine Association on January 20, Wesley L. Jones, a Senator from the State of Washington, made these charges:

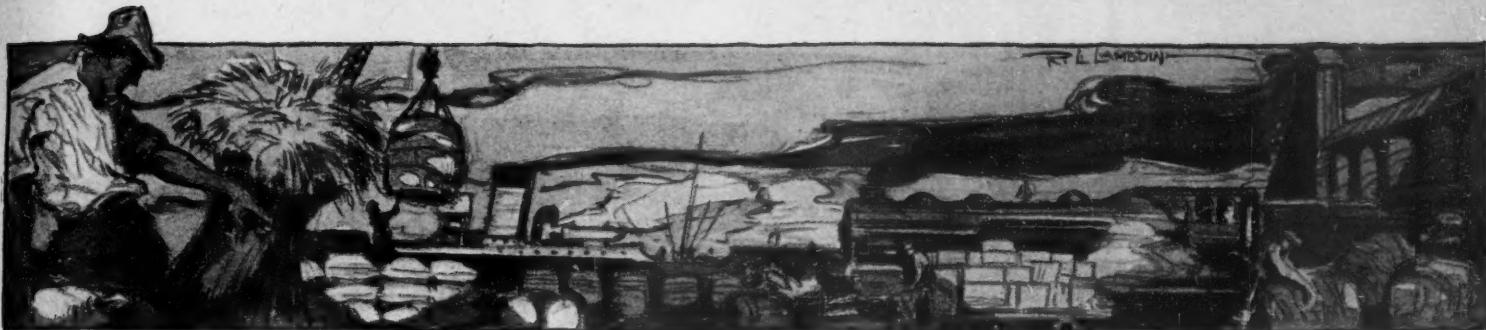
A short time ago a magazine called *THE NATION'S BUSINESS* and bearing on its front the legend "Published by the Chamber of Commerce of the United States" printed an article in a most conspicuous way that could have no other effect than to discredit what we have done and to discourage further efforts to build up our merchant marine.

In the next issue of this magazine was another article extolling a proposal of the Chamber of Commerce of the United States which was urged upon the Commerce Committee of the Senate, at the time of the formulation of the Merchant Marine Act of 1920, by a Mr. Myrick, vice-chairman and counsel of the Ocean Transportation Committee of the Chamber of Commerce of the United States, fantastical proposition which was not adopted in terms by the Committee, but which can be put in operation now under the Act if it is at all practicable.

I appeal to the patriotic men and Chambers of Commerce that make up this great organization to see to it that it is not made the agency to serve British interests and undermine American efforts and laws. British interests can have no more effective agency to promote their welfare than to have a great magazine published by the Chamber of Commerce of the United States but edited in such a way as to serve their purposes intentionally or ignorantly.

Our readers will recall that the first article to which the Senator refers was devoted to a discussion of the muddle in which the United States Shipping Board finds itself, to pointing out the inherent evils of government operation of business in time of peace. "If this be treason"—if to do this be "to serve British interests and undermine American efforts," then we commend to the Senator's attention a more treasonable, a more pro-British publication, the *Congressional Record*, and we submit to him this one extract out of many:

Mr. Good (The Chairman of the House Committee on Appropriations): I would hesitate to give the gentleman an estimate as to the cost of building ships, or any other fact that I wanted him to rely upon, if I got my information from the Shipping Board or the Emergency Fleet Corporation, because I do not think the informa-



tion would be reliable. They do not seem to know. (*The Congressional Record*, Vol. 60, page 862.)

The second article to which the Senator takes exception described anew the plan proposed by the Committee on Ocean Transportation of the United States Chamber of Commerce and endorsed by a referendum vote of that body.

To the Senator that plan is "fantastical," according to the abstract of his speech as given out by the National Merchant Marine Assn. (in the address reported in the *Congressional Record*, the word "fantastical" is changed to "unusual"). Whether "fantastical" or "unusual," to a large number of capable business men it seemed practical, so practical that it was adopted by an overwhelming majority by a referendum vote of the Chamber of Commerce of the United States. Senator Jones himself said of it at a hearing before the Senate Commerce Committee in January, 1920:

"I want to say with reference to the regional suggestion, it seems to me a mighty good thing if it can be carried out."

To a charge that the plan would "serve British interests," one phrase from the referendum seems sufficient: "to be open only to American citizens, firms or corporations of good standing." That was to be the make-up of the proposed regional associations.

One more point on which Senator Jones seeks light. He says that he received no answer to this question addressed to the Chamber of Commerce of the United States:

"Has your organization been giving consideration to any proposals or suggestions looking to the repeal of the Merchant Marine Act of 1920?"

Here is the answer in one word:  
No.

No project is nearer to the heart of THE NATION'S BUSINESS than the building up of the American Merchant Marine, but it will not be built by a policy of stifling criticism or by crying "British propaganda" to any effort to improve present conditions.

### Industry Advances

THE AMERICAN SOCIETY of Mechanical Engineers has just been celebrating its fortieth anniversary and its journal has dug from its archives the first presidential address delivered by the late Robert H. Thurston early in 1881. The year before had been signalized by the invention of the Edison carbon filament lamp and Dr. Thurston predicted "that for the occasional mild light of the moon or the yellow sickly flare of the gas flame will soon be substituted the less uncertain and always available, and always beautiful and mellow, radiance of the electric flame."

Within three years there were 400 electric light stations in operation in this country.

Dr. Thurston saw still farther. He knew that the "wizard of Menlo Park" was working with problems of electric power transmission and he ventured this prophecy:

"The distribution of power by electricity is not unlikely to prove a more important application of this wonderful force than is the electric light."

That was the day of the Corliss engine. In 1876 at the Centennial exposition he had stopped to gaze at a Corliss engine of 2500 horsepower. Now a single turbo-generator supplies 80,000 horsepower, and there is under consideration a plan to tie together the railroads and the factories along the North Atlantic seaboard with one great power transmission line.

Henry W. Blake, the editor of the *Electric Railway Journal*, is

just finishing thirty years of service with that paper. When he began, it was called the *Street Railway Journal*, for the horse was still the chief motive power of the surface railway, while in most of the larger cities cable lines were running.

In 1887, four years before Mr. Blake began editing a street railway journal and six years after Dr. Thurston had foreseen the great possibilities in electric power, an electric car was tried on Fourth Avenue, New York, and *The Sun* of that day said it "created an amount of surprise and consternation that was something like that caused by the first steamship on the Hudson." Within three years "a quarter of the street tramway mileage of the United States had been converted to the new power."

So new are the things we see as the commonplaces of life. Is there anything that is incapable of betterment? Well, a famous maker of musical instruments says that no improvement has been made in the violin in two centuries.

### Economy That Is Costly

THERE IS NO BETTER PLACE to set an example of economy than in the administration of the United States Government. Yet economy which cuts off a source of income would seem foolish to most business men.

That is what the Congress did in making appropriations for the Bureau of Standards for the year 1920-21. One of the many valuable works of the Bureau is the preparation of standard samples of iron, steel alloys, ore, etc. These are in demand not only by the construction departments of the Government but by thousands of manufacturers who are ready and willing to pay for them. The appropriation for 1919-20 was \$5,000 and the fee value of the samples issued in that year was more than \$11,000. In spite of that the \$5,000 was refused in the next year.

As the annual report of the Bureau mildly says:

"Certainly only a lack of understanding of the situation could have led Congress to fail to provide this appropriation of \$5,000 for work which brought to the Federal Treasury more money in fees than the sum appropriated."

Instinctively the editorial pen starts after Congress. "Short-sighted," "pennywise and pound foolish," the phrases come at call.

But there stands out that pertinent phrase—"a lack of understanding of the situation." Working under an unwieldy, old-fashioned and outgrown method of making appropriations, without the help of a proper budget system, the wonder might well be that more unwise things are not done.

### When a Fellow Needs His Friends

OUT IN MADISON COUNTY, Illinois, there's a community club which undertook to eliminate the middleman and to secure a more direct route to the consumer. It bought sugar—a lot of sugar—at 23 cents a pound. Now its manager has appealed to the community to come to the rescue.

"Many of our friends," he writes, "have expressed a willingness to help us out and we are inviting you to assist if you so desire. Our plan is to ask our friends to buy ten pounds of sugar at 23 cents per pound, the price we paid. We have 180 sacks on hand, so that if 1,800 of our well-wishers will take the required ten pounds each it will relieve us of a very difficult situation."

The community might turn to Congress for relief. Almost every one else has.

# Coal Tar, a Peace-Time Weapon

Our business freedom depends on the growth of the industry whose roots are in our mines; some day we shall forbid the open burning of coal and the waste of its by-products

By EDWIN E. SLOSSON

*Author of "Creative Chemistry" and "Easy Lessons in Einstein"*

WHEN we were children and played the game of "Twenty Questions," the first inquiry was "Is it animal, mineral or vegetable?" The idea of it was that these three kingdoms of nature were quite distinct and separated by impassable barriers. Everybody used to hold the same idea, even the chemists, though it seems funny to us now how they could think so when they saw plants working themselves out of the earth, air and water of the mineral kingdom and animals feeding on plants.

It was believed, up to a hundred years ago, that some mysterious "vital force," residing or rather presiding in such organisms as plants and animals, was essential for the formation of the substances that made up their structure out of the mineral or inorganic matter. But in 1828 when Wöhler made urea artificially he broke down the barrier between the inorganic and organic kingdoms. Note the day, for soon we will be celebrating the centenary of this discovery, better worth celebrating than a big battle, for it meant not the conquest of one nation by another, but the conquest of a new kingdom for the good of the whole of humanity.

What Wöhler made was nothing that anybody wanted, was, indeed, what everybody threw away, for it was one of the waste products of animal life. But if this simple compound of carbon, hydrogen and nitrogen could be made in a test tube out of mineral materials why could not the chemist manufacture more valuable organic compounds, the dyes, drugs and perfumes for which man had to search the world from China to Peru. Perhaps, even—though nobody then dared hope so far ahead as that—the chemist might, in time, be able to create new compounds of a sort that suits him better than anything he can find in nature.

But even this daring dream has been more than fulfilled, and now, after a hundred years of hard work, most of it done in the last thirty, the chemist is able to make several hundred thousand organic compounds, all different, most of them new and many of them very valuable. These are all compounds of carbon with hydrogen, frequently with oxygen or nitrogen besides, and sometimes with another element in addition, say sulfur or chlorine. The four elements first named—if you are familiar enough with them to use their initials you may stick them together as C H O N—suffice to make up nearly all the substances found in animal and vegetable life as well as innumerable other compounds not found in nature.

And, note this remarkable fact because it lies at the bottom of the whole trade controversy, that these four are the cheapest and most abundant elements in the world and every country has an unlimited supply of them free.

TIME WAS, just six years ago, when our textile mills faced the probability of closing their doors because of lack of dyes. At that time, von Bernstorff was suggesting to the Kaiser that millions of American workmen could be thrown out of employment if Germany refused to send dyes to America. Then came the demand that only in return for cotton would dyes be sent here. These developments grated harshly upon the independent spirit of Americans.

Time was when our consumers urged the development of a complete self-sustained American dye industry no matter what the price. In response to this demand an industry sprang up in which all Americans can take pride. It is not yet a complete industry, but gives every promise of becoming one.

Time was when the output of high explosives and toxic gases from the great German dye plants slew thousands of young Americans.

Today there are those who would lull us to sleep in fancied security regarding the permanence of our American industry. Have they forgotten? Must the story learned at such cost be some day learned all over again?

The answer lies with Congress at its approaching session. If the legislation now before the Senate is enacted into law, then we may feel justifiably confident of the future. If not, look out for a real commercial war. Dr. E. S. Chapin, of the Textile Alliance, who has just returned to this country, reports that the output of the German plants is increasing rapidly each month but that this increase is not in "the colors desired by the consumers in the United States, but the big bulk colors, the colors that are being made by American manufacturers."

If this does not portend commercial war, we miss our guess. Such a war can be averted only by legislation of the type reported favorably by both Republicans and Democrats of the Senate Finance Committee.

CHARLES H. HERTY,  
Editor, *Journal of Industrial and Engineering Chemistry*.

Russia has a strangle-hold on the rest of the world in the matter of platinum. Germany, before the war, made the rest of the world pay her price for potash, though now she has had to turn over her Alsatian beds to France. Only a few countries, our own chief among them, are favored by pools of petroleum. But CHO and N cannot be monopolized for air and water are made up of them.

To be sure, it is not convenient for us to get the carbon from the air for it is so diffused. We let the plants gather it for us, preferably the ferns and firs of the Carboniferous Era which stored the carbon up for our use in the form of coal. But all the leading countries have a coal supply—otherwise they would not be leading—so all of them could make right at home all the dyes and drugs that could be made anywhere. No nation need go without. No nation need be dependent upon another for these indispensables of civilization. Germany had a natural monopoly in her potash mines but her monopoly of the coal-tar compounds was artificial, due to the supineness of other countries which found it easier and thought it cheaper to buy from Germany what they needed rather than make it for themselves.

Some day there will be a new law passed in every country, the twenty-blankth amendment to our Constitution perhaps, prohibiting the burning of coal. Then coal will no longer be consumed in the open grate but will be distilled in a closed retort. This separates the coal into three parts, solid, liquid and gaseous. The gas will be used for lighting and heating. The coke will be used for metallurgical purposes. The liquid, tar, will serve as raw material for the carbon compounds.

You have all seen the sketch of the coal-tar tree. The trunk rising from a bed of coal divides into branches labeled "benzene," "toluene," "naphthalene," etc., and these again branch into what are called "intermediates" such as "aniline" and "carbolic acid," and so on through the twigs until finally we come to flowers and fruit, which are brighter in color, sweeter in taste and more redolent of perfume than any natural products. This is the Tree of Knowledge of Good and Evil. You may find among the foliage the name of "saccharine," that is several hundred times sweeter than sugar, and of "chloropicrin," that has choked the breath out of many a brave boy.

Now, this tree is not a mere fancy picture. It is an excellent symbol of what the coal-tar business is, a real growth, a living and expanding organism. The tree picture looks complicated but it is simple compared with what it stands for. No sketch can represent its infinite ramifications and intertwinings. It all hangs together and is interdependent.

Cut off a branch of the tree or the business and it dies. The by-product of a dyestuff may make a medicine. Part of the poison gas that we did not use up on the Germans has been made over into colors. Picric acid is both a dye and an explosive. The scents that our sweethearts use and the stinks that we shell upon our enemies are made in large part from the same materials and by the same methods. We might be content to import our perfumes in peace-time, but we can't import our poison gas in war-time, which is the only time we need it. If Uncle Sam is ever to need a shooting iron he must carry it in his own pocket. He cannot afford to pay a possible foe to make and tote it for him.

Chemical warfare has come to stay. The Great War practically abolished the old distinctions between contraband and non-contraband, combatants and non-combatants, fortified and unfortified cities, permissible and unpermissible weapons, and if the conflict had continued another year these restrictions would have been altogether obliterated. The next war, as the late Lord Fisher said, will begin where the last one left off. It will be literally a "War of Nations" not of armies.

The European belligerents were pledged under the Hague rules not to use poisons, yet

they all came to it in the course of the war. The United States declined to make any such promise and our representative at The Hague Conference, Captain Mahan, opposed the attempt to rule out poison gas and argued, quite rightly as the Great War showed, that such a regulation would be impossible to enforce and that it was no worse to smother a soldier than to blow him up.

National independence in industry depends on self-sufficiency, this depends on self-support and this depends on self-confidence. Unless then the customer has faith in the home-made article he will insist upon having the imported at any price.

Now, it must be admitted that there is considerable lack of confidence in American dyes and there is reason for it—but the reason is not usually what the complainant thinks it is. When the trouble has been run down it more frequently turns out to be the fault of the dye-user rather than the dye-maker. A pure chemical compound is identical the world over. There is no "Made in Germany" marked on the molecule though there may be on the package.

In fact, the dyestuffs now turned out by American manufacturers are often better and sometimes cheaper than could be imported. The Germans "diluted" their dyes—to use a polite term—more than we used to suspect. For instance, when they made Patent Blue for export they added to it twice its weight of another compound, called by chemists "sodium chloride." The dyer did not know that for every pound of Patent Blue he had to buy at the same price two pounds of common salt. But when he came to use the American product, that was not "taken with a grain of salt," he naturally spoiled his batch by getting the cloth too blue and he accused the manufacturer of being unreliable.

#### It May Be Instinct

**DYEING** is not one of the learned professions. The man who makes up the mixture is apt to follow blindly the formula he is used to, or else he works by instinct with familiar materials, like the old-fashioned cook with her "pinch of salt, bit of butter, and just enough soda." So the dyer found it difficult during the war period to accommodate himself to new forms and qualities or substitutes for those he was accustomed to. Besides, the dyers are often Germans and it is more than suspected that they are sometimes inclined to favor the Fatherland by throwing discredit upon American dyes.

During the war when dyes went sky-high, and some of the most needed could not be got for love or money, the textile mills were driven to find substitutes without regard to the original purpose of the product. In 1916 a certain large hosiery manufacturer thought himself lucky to get hold of a big lot of Brilliant Black. The stockings were black all right on the start but when they were washed they turned olive green, much to the disgust of the women who did not have green dresses to wear with them. He laid the blame on American dyes, but it turned out, on investigation, that this Brilliant Black had been made in Germany and the German was not to blame either for he had made it to dye cloth for caskets, the occupants of which never expose their upholstery to sunshine or put it through the wash.

Several years ago the Pullman Company ordered a large quantity of green striped carpet to lay down the center aisle of their cars. Now, green is made by mixing blue and yellow, and the proper brands to be combined for this particular shade were Alizarine Blue S A P and Fast Light Yellow 3 G. But the

company that took the contract substituted two-thirds of Chinoline Yellow for the fast yellow. When the carpet was exposed to the light the yellow faded first and the carpet gradually turned blue. The Pullman Company threw the goods back on the manufacturer. All three dyes were German-made and standard quality but the Chinoline Yellow was not intended for such a purpose.

As I look out of my office window on the large American flag that floats in front of the lovely grey dome of the Columbia library, I am shocked to see that the red stripe has turned to an ugly orange! Now, it is not necessary to suspect some Ulsterman of secretly substituting his national colors. It is more likely that the flag-maker, through ignorance or economy, has used some other dye than Paranitraniline Red.

A customer, who had bought a red and white table cloth from a Boston department store, returned it and demanded money back, for when it was put into the wash it showed a communistic tendency to even things up, the red running over onto the white until the table cloth was all more or less pinkish. Here again, it was the fault of the dyer who had not used the standard Turkey Red, but another and unsuitable dye.

Dyeing is not like painting. In dyeing the color is not a mere surface coating. It soaks into the fiber and forms there an actual chemical combination or is held insoluble in its substance. Dyes that will take to wool may not be absorbed by silk or cotton. They merely stain the surface of the fiber and readily wash off. In Ohio it was found that a certain kind of cotton fabric dyed a deep cardinal, and used in upholstery had the disagreeable habit of imparting its color to whatever came into contact with it. A person resting a sweaty palm upon it would come away red-handed. When an expert was called into consultation on the case he simply put a scrap of the cloth into a dish of boiling water with a bit of pure wool. The cardinal color promptly deserted the cotton and went over and attached itself to the wool. It was a case of chemical affinity. The dye could never become attached to cotton, but was stuck on wool.

When a cloth consists of cotton and wool mixed, of course the dye used must be such as to be equally fast on both, otherwise the fabric, after a few washings, will come out looking like a speckled hen. With textiles at their

present high prices, various kinds and qualities of fibers are being woven together and they react differently toward dyes. Silks are nowadays heavily weighted with the salts and when the metallic filler washes out it takes with it some of the color.

The women complain that their stockings fade more than they used to. Quite likely, and if the reader wants to know one reason, why he has only to raise his eyes from this page and look at the row of women sitting on the other side of the street car. Fading is due to the actinic rays of light, and in the days when stockings were always concealed in closet or crinoline they could not but keep their color. No man would advise a reversion to the shady customs of the past but the new freedom does present an unprecedented problem to the dye-man.

These are just a few hints for the benefit of those who are too quickly inclined to blame the American manufacturer for all the faults they find in their fabrics. The American dye is an infant industry, but lusty for a five-year old, and has a brilliant future if properly protected. Nothing hurts a child more than to be always blamed for what is not his fault. But, if you show confidence in him and give him encouragement, he will grow up to hold his own against the world in a fair fight.

#### How Sailors are Made

**SEA SCOUTS** form an important and growing branch of the Boy Scouts in England. The movement is one which, in view of the fact that the United States has now a huge merchant marine of its own, might well be imitated here. Its purpose is not primarily to train boys for a sea life so much as to foster what Chairman Benson of the United States Shipping Board calls "sea mindedness," a quality which we now lack.

In a recent issue, *Shipping World*, a British publication, had this to say about the organization:

The Sea Scout branch of the movement was inaugurated in 1911. So many boys had shown aptitude for and love of nautical pastimes that, to encourage and develop these tastes, Sir Robert formed troops of Sea Scouts, among whom water games and activities replaced "Red Indian tracking," trekking, etc. So speedily did the numbers of the Sea Scouts grow, and so efficient did they become, that in 1914 they took their places beside the Coastguards for patrol work. In a short time they released and replaced many men called away to more active war work.

The Coastguard Service was widened considerably. The energy and enthusiasm of the Sea Scout "Coastguards" were unbounded. Each Scout patrolled a three-mile-long beat of coast, in all weathers. No object in sky, on earth, or in the sea escaped these alert, keen-sighted young watchers. As signalers, despatch carriers, inspectors of wreckage and other objects coming or cast ashore they were equally satisfactory. Eager and ready for any work allotted to them, they earned the warm praise of the Admiralty, and with their comrade Land Scouts took their place as "an integral part of the machinery of national defense!"

There is no intention or desire in all this to train these boys for a sea life or in any way to influence their choice of a calling. The aim is to foster the love of the sea and all things pertaining to it which is inbred in so many boys of our island race; to inculcate some of the general hardiness and resource which is the attribute of seamen, and to develop their usefulness afloat as well as ashore in their hours and days of leisure from school or as a further step in the serious preparation for life.

H.R.H. Prince Albert is President of the London Scout Council; Lieut.-General Sir A. Codrington, K.C.V.C., C.B., Chairman and County Commissioner; and Rear-Admiral C. S. Hickley, C.B., M.V.C., Assistant Commissioner for Sea Scouts.



# To Create Long-Term Credits

The New Foreign Trade Financing Corporation is the logical agent to stimulate a continuous outflow of American goods

By JOHN McHUGH

*Vice-President, Mechanics and Metals National Bank, New York City; Chairman of the Committee on Organization, Foreign Trade Financing Corporation*

**T**O MEET the demands of war, our entire machinery of production was geared up to a maximum output, industrial establishments were expanded to the utmost, our farmers planted more land and worked harder to get bumper crops, and our mines increased their production. The needs of the world were great; practically the whole world turned to us; and we met the demands.

The needs of the world are scarcely less great today, but the demands are less. The fact is that there is under-consumption—under-consumption because the American dollar is at a premium and foreign purchasers cannot buy now, however much they need our raw materials and manufactured goods. Consequently the surplus of our raw materials and goods which should go abroad to supply urgent needs is piling up here or, wherever possible, the output is being cut down to fit the demands. American mills and factories are closing, American workers are out of employment; American business, particularly export trade, is threatened by a sort of paralysis.

## A Friendly Invasion of Money

**T**O meet this situation, a broad-scale cooperation of representatives of every phase of the nation's organization of production—bankers, business men, agriculturists, producers of every class—has been effected in the Foreign Trade Financing Corporation, chartered under the Edge Act to provide adequate long-term credit accommodations for the financing of foreign purchases of American products. A private business venture, a voluntary effort on the part of American business men, this Corporation nevertheless, because of its scope and the nature of its business, must inevitably be of valuable service to the public at large. Its originators intend that it shall be so organized and operated as to bring about great things for the future of America. It is designed to protect and develop American commerce, and assure the position of this country as a world power in trade and finance.

In order that this enterprise, which means so much for the country's future, may have the widest possible participation, the campaign for the sale of the \$100,000,000 stock of the Corporation has been made country-wide. The charter of the Corporation was granted by the Federal Reserve Board on January 28. Immediately thereafter there was sent to 30,000 banks throughout the land a prospectus setting forth the plans of the Committee on Organization. This was also sent to many thousands of manufacturers and producers.

A large number of banks throughout the country have offered their facilities for the distribution of the stock without commission. There will be no underwriters' stock or bonuses. Nobody will be "let in on the ground floor." The stock is being offered

to the public at \$105 a share, thus providing \$100 capital and \$5 surplus for each share subscribed. The surplus fund will assure additional safety for stockholders, and will provide a reserve to meet contingencies.

The magnitude of this task is almost comparable to that of floating a Liberty Loan, and the organization for handling it has been based on those which were so successful during the Liberty Loan campaigns. The capitalization of the Foreign Trade Financing Corporation equals approximately the aggregate capital of the twelve Federal Reserve Banks. Since it is imperative to the broadest success of the plan that every section of the country be represented in and participate in this enterprise, selling effort has been organized from the main office by federal reserve districts and cities. In each a committee consisting of at least one banker, one agriculturist, and one representative of manufacturing and commercial interests has been appointed.

Under the provision of the Edge Act, corporations formed to carry out its purposes may issue, with the approval of the Federal Reserve Board, their own notes and debentures up to an amount of ten times their paid-up capital and surplus. It is from the proceeds of the sales of these debentures that the Foreign Trade Financing Corporation will be able to provide the necessary funds to finance the future flow of American goods abroad. Since it may sell \$1,000,000 worth of such debentures, the effect of its operations in stimulating American foreign trade and thus aiding in the restoration of prosperity at home must be of great importance.

Obviously the prime duty of such a corporation must be to conduct its affairs wisely and with safety, in such fashion as to yield a profit to its investors, otherwise it will fail in its broader object of stimulating general prosperity through affording long-term credits for export trade. Management becomes a matter of men, of personnel. The presidency of the Corporation has been offered to W. P. G. Harding, Governor of the Federal Reserve Board, a farsighted and conservative banker whose service as the head of the Federal Reserve Board in a particularly trying time has won for him the respect and esteem of the public.

The operations of this Corporation must be supervised by the Federal Reserve Board, under the provisions of the Edge Act. Thus it will have the standing of a semi-public institution. Moreover, owing to its large capital and resources, which will enable it to attract to its service experts and leaders in every phase of its business, it will have the best possible organization for investigation of the foreign securities or collateral on which it will make its long-term loans. It plans to establish agencies in various parts of this country, and the very nature of its business will require it to form agencies in foreign countries.

While "foreign trade" has meant, to America, largely European trade, this Corporation plans to conduct its operations in any part of the world where its activities may rightly be extended. It plans to keep its loans and investments highly diversified, in many kinds of enterprises and in many lands, thus minimizing risk from unsettled political and financial conditions. It will be the policy of the Corporation not to trade in foreign exchange as a competitor of the established commercial banks, or to supplant them in any way.

The Foreign Trade Financing Corporation will not create dollars without effort on the part of those who desire them, nor will it serve as a cure-all for every economic ill. It is, however, a nation-wide undertaking of Americans to help themselves and to help the rest of the world through the legitimate channels of individual business effort. It contemplates making possible an internationalism of trade which must come if the disrupted world of today is to be firmly re-established. In considering the whole matter of long-term credits as it will develop the relationship of American business with the rest of the world, I like to think in the terms of Mr. Hoover when he says:

## Business Not Charity

**R**ECOVERY cannot take place, and our surplus goods cannot be consumed unless we are prepared to take some hand in the situation. To me all such measures fall into three classes. The first are those emergency measures undertaken by our Government soon after the Armistice. Government assistance cannot continue for long for a hundred reasons. The second is, sheer charity that is only justifiable in an emergency of complete helplessness. The third is by building up the normal processes of business, and in that alone lies any permanence and any real recovery to the world situation."

The question is on not only the establishment of credit abroad, but it is fundamentally a question of the character of credit that we establish. American bankers and business men are in full agreement that nothing would be more dangerous to the whole economic situation of the world than that we should continue to establish short-term credits. We already have too much inflation, and its evils are apparent. The only solution is that we shall extend credit on a basis sufficiently long and sufficiently well established to enable reproductive enterprises to revive.

An opportunity is presented to America that perhaps will never come again; certainly it is an opportunity such as this country has never faced before. As we take advantage of this opportunity, we shall justify ourselves as the world's new industrial and financial leader; only thus shall we gain the profit that comes to a nation in that position.

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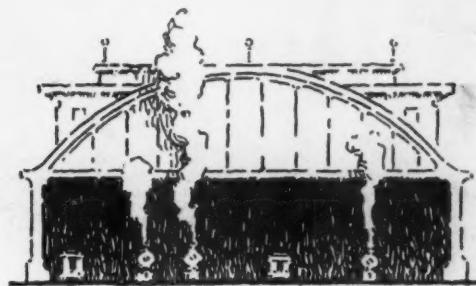
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# Where Railroads End

*Five etchings by Joseph Pennell*



**R**OME CONQUERED what she thought was the world, and held it with her roads. Over them fresh legions and supplies moved out to the frontiers. These same roads, probably, contributed to the Roman downfall. They furnished an easy path for the feet of the invading hordes from the north.

It is true today, as then, that no nation can become greater than its transportation system. Raw supplies must flow to factories and finished products move out from them to buyers. How long would American industry last without our railroads?

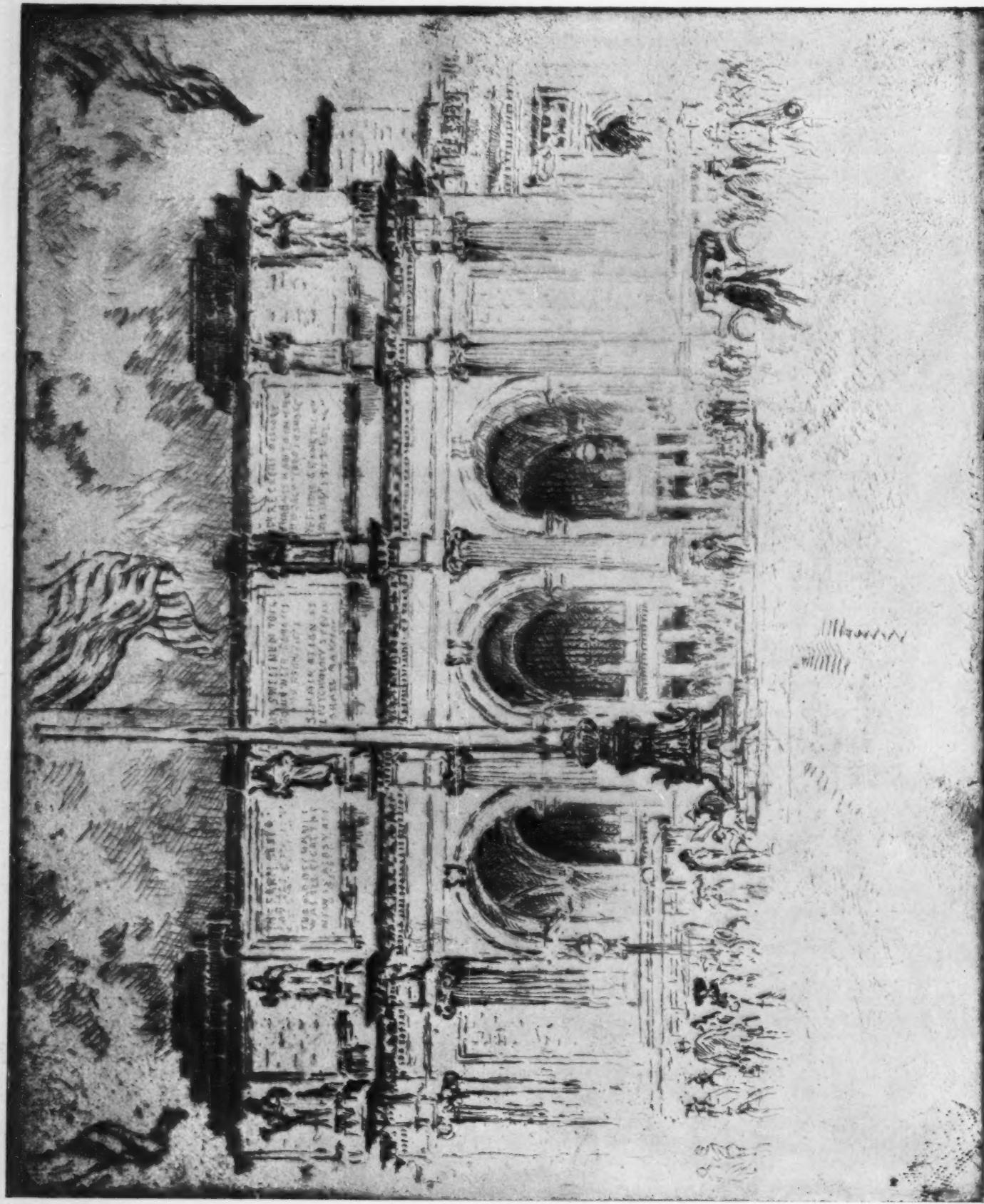
The very size of the United States created a necessity that has resulted in the greatest system of rail transportation in the world. Its nerve centers are the cities. In the pages that follow we present some of the American terminals, as the artist sees them.

*The pictures are:*

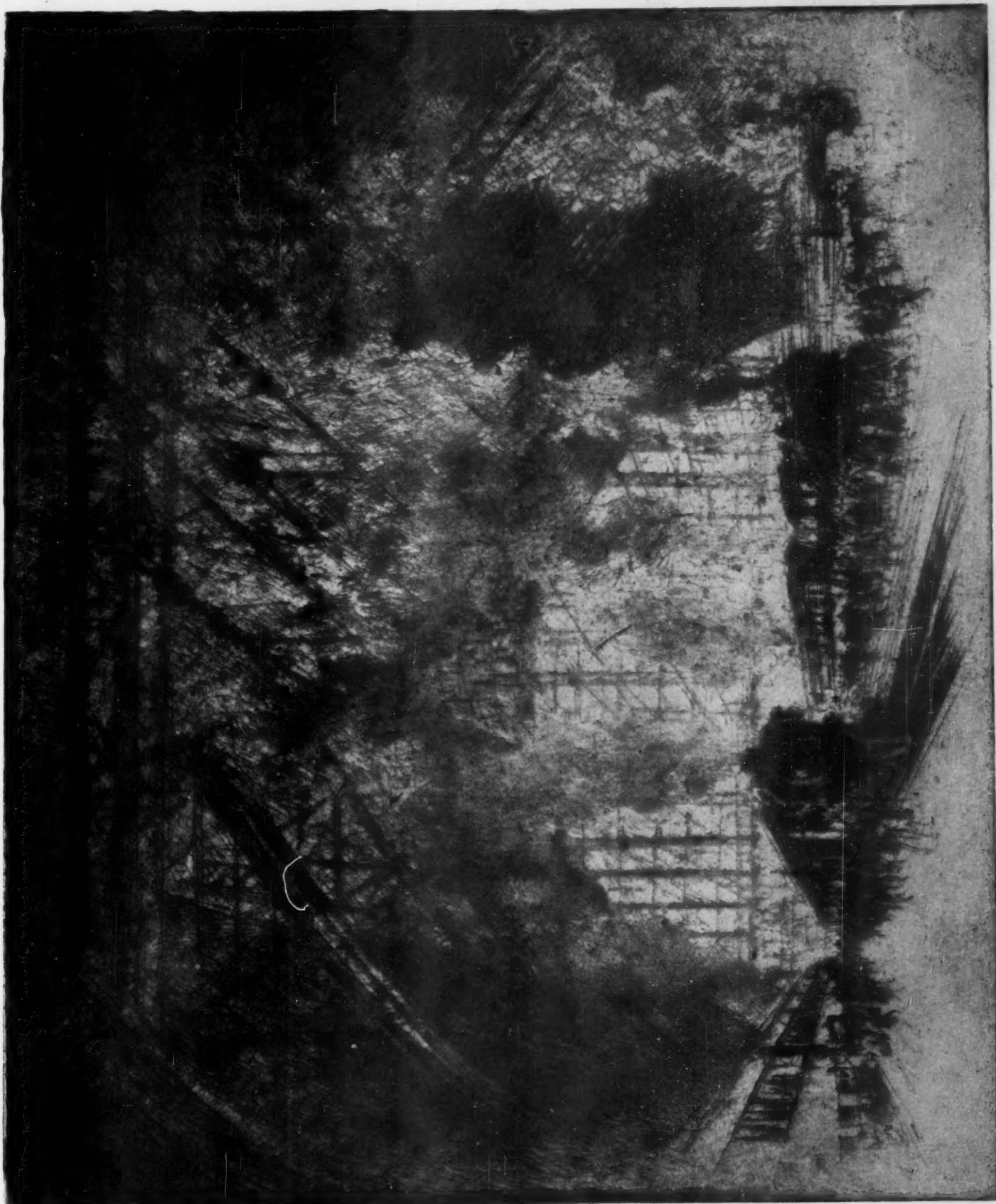
*The Facade, Washington; Cinders; The Coming of  
The Wires; Tracks, Chicago; From a Jersey Ferry*

This is the second and last of a series of industrial etchings by Pennell

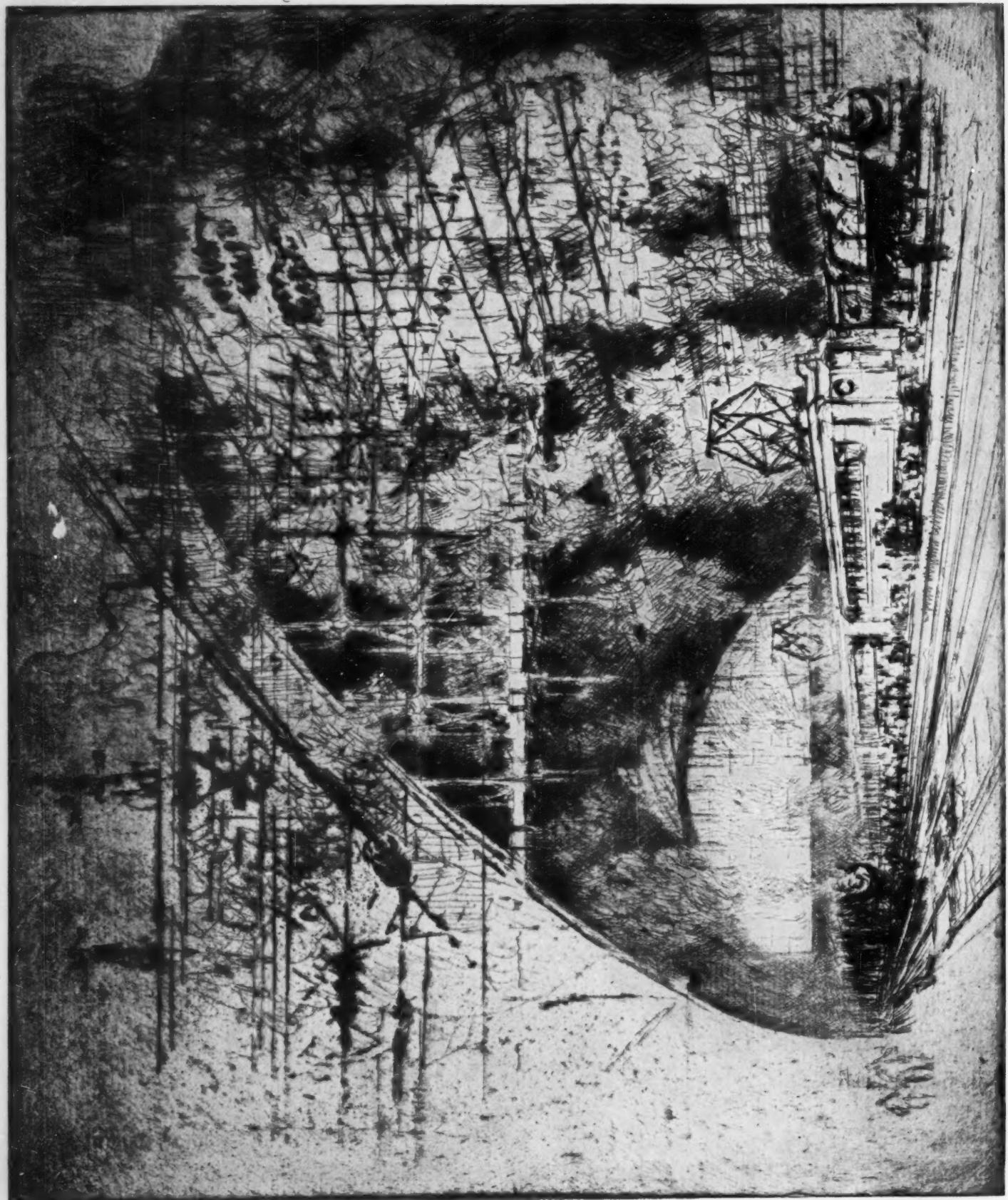
THE FAÇADE,  
WASHINGTON.—  
So much is said of the sins  
of business that we will  
be pardoned this once for  
relating a tale of corporate  
generosity. The Pennsyl-  
vania and B. & O. were  
entitled to land that  
crossed the Mall—which is  
the key to the park plan of  
Washington. Rather than  
disfigure the Capitol, the  
roads renounced their  
claims and agreed to the  
building of the Union Sta-  
tion where it now stands.



**C**INDER—That is our own name for this picture of a Philadelphia train shed. Pennell gives here the best "interpretation" we have ever seen of the train-shed atmosphere, laden with **smoke and soot**, a source of revenue to the laundries and an abomination to the lungs. Since this station was put up, station builders have learned to cover only the space between the tracks and allow much of the smoke to escape.

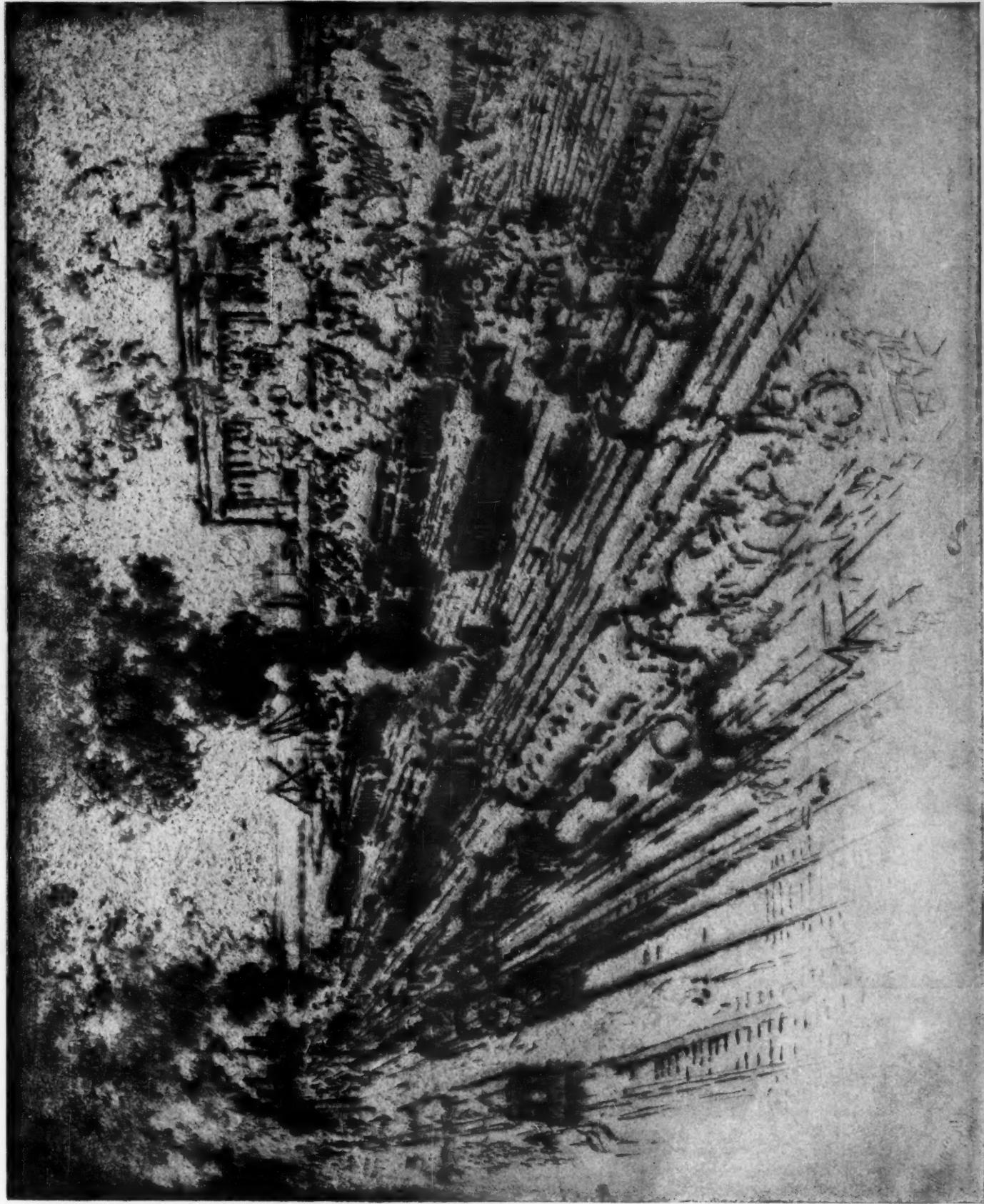


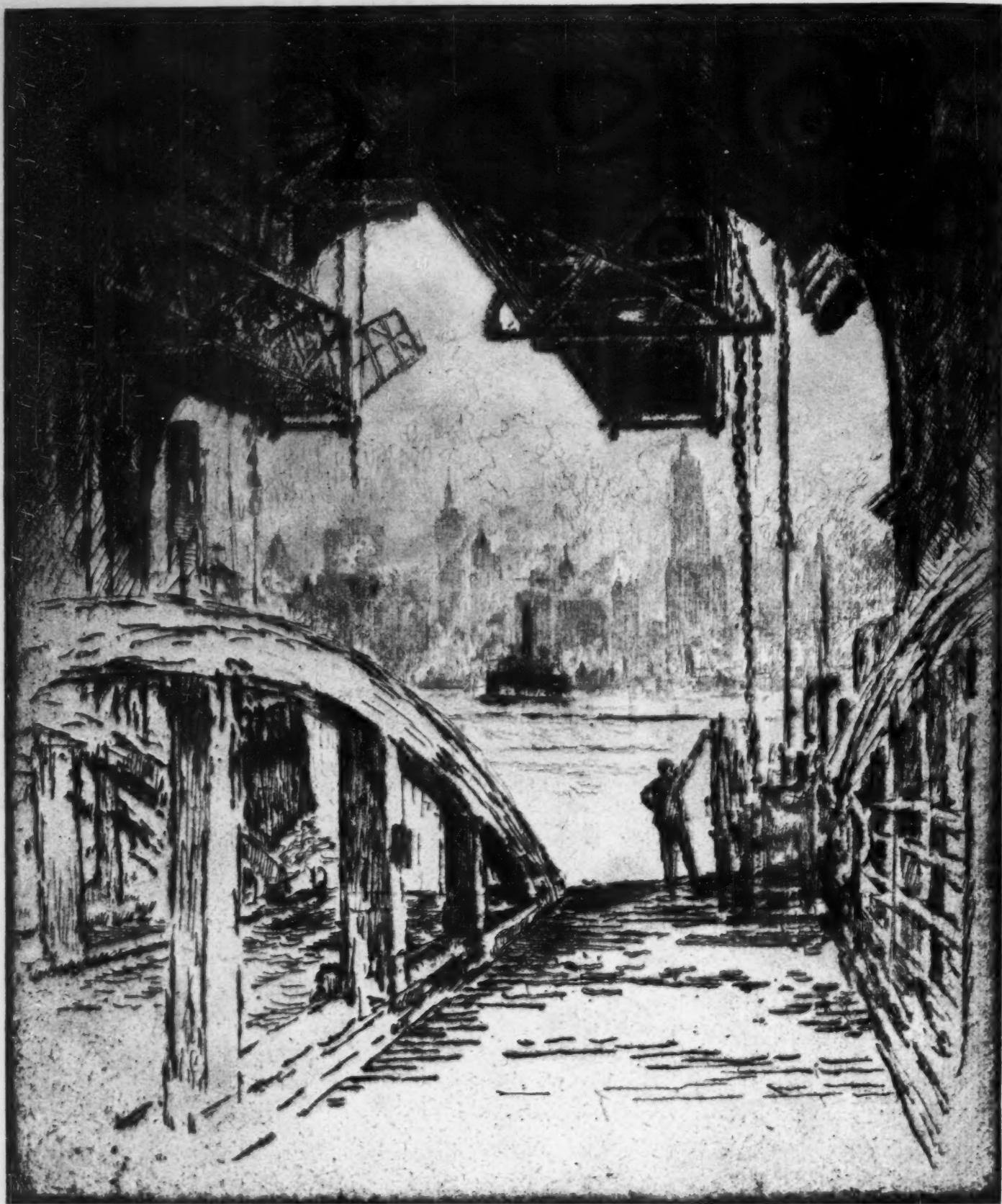
THE COMING OF  
THE WIRES—This  
picture, also at Philadel-  
phia, is the logical sequel of  
the one ahead. Electric  
locomotives at the Penn-  
sylvania and Grand Cen-  
tral in New York proved  
that railroad stations do  
not have to furnish patrons  
coal smoke with the air.  
And the wires are gradu-  
ally encroaching. A sur-  
vey is now being made  
that aims to link all the  
east in an electric trunk  
line **solely as a measure of**  
**economy.**



TRACKS, CHICAGO

—the Field Museum in the background. This amazing metropolis of the Middle West has grown so swiftly that the "stub ends" of its railway terminals have become a serious question. Since the World's Fair Chicagoans have been alive to the possibilities of improving the looks of their city and plans are now being worked out wherein better railroad facilities and beauty go hand in hand.





**FROM A JERSEY FERRY.**—Pennell calls New York the "Unbelievable City," and so it is. Thousands go down to the sea past this skyline, unmoved. Returning, they are full of the glories of Europe. Pennell compares lower New York to "San Gimignano of the beautiful towers away off in Tuscany, only here are not eleven, but eleven times eleven, not low, mean brick piles, but noble palaces crowned with gold, with green, with rose; and over them the waving, fluttering plume of steam, the emblem of New York."

# Paper from American Trees

Alaska can send us 1,500,000 tons a year and replace the loss by annual growth if intelligent methods of forestry, as outlined here, are followed

By W. B. GREELEY

*Chief of the United States Forestry Service*

**T**O ONE who has cruised from Seattle to Cordova and seen the hundreds of miles of Alaskan coast slip by with their almost unbroken mantle of green forest, it is hard to picture the United States as ever lacking for wood. This impression is strengthened when, after weeks of traversing the narrow channels and bays and circumnavigating innumerable islands in a small boat, the hundreds of miles of timbered coast stretch into as many thousands.

The coastal forests of Alaska belong to the public. Whether they shall disappear in two or three decades of destructive exploitation or remain a permanent and productive national resource rests entirely with the people of the United States. One after another our great forest regions have been exploited and largely exhausted at the decree of unrestrained private interest. For the first time is there opportunity in a large region and on a big scale to carry out an enlightened, publicly controlled plan of timber use combined with preservation.

The National Forests of Alaska contain probably seventy-five billion board feet of serviceable timber. Of this amount, two and one-half or three billion feet are fine, clear spruce of the grade manufactured into aeroplane stock during the war, material which will hold its own as a light, soft wood in any market of the world. There are also small amounts of the famous Alaskan yellow cedar, prized by the cabinet-maker of today no less than by the native carver of totem poles a hundred years ago, and of clear red cedar furnishing shingles or boat-making materials. Sixty per cent of the Alaskan timber, however, is western hemlock which, while of local service for piling and construction lumber, will find its chief value for the manufacture of paper.

#### Their Potential Value

**T**AKing hemlock and spruce together, the National Forests of Alaska contain not less than one hundred million cords of paper-making woods, whose utility for this purpose has been established by commercial practice in both British Columbia and the western United States. The forests of the Territory, however, are not only an enormous warehouse of raw material; they are also potential producers of paper-making woods on a vast scale. Their greatest value lies in the opportunity they hold out for a permanent public enterprise in growing pulp timber.

Rightly administered, the National Forests of Alaska can furnish at least 1,500,000 tons of paper annually for all time to come. This is one-third of the paper and pulp products of all kinds now used in the United States. It represents more paper and its raw materials than are now produced in Norway, and 60 per cent of the paper and its materials which are now produced in Norway

**S**CIENTISTS will not admit that the paper industry must go to the forests for all its raw materials. It is blazing new paths in its search for substitutes.

The Forest Products Laboratory has made a partial success with the corncob. Moving south, the waste of the sugar cane and cotton seed are being tried out. There are tropical grasses and fast-growing tropical trees with whose fibers scientists are patiently experimenting.

But the need has not yet been met and the paper industry seeks new forests. Alaska is one source. There, as Colonel Greeley points out, is our first opportunity to try proper forest methods, to start growing new trees as we harvest the old ones—to eat our cake and have it too.—THE EDITOR.

and Sweden combined. And the people of the United States can bring about exactly this permanent usefulness if they wish, because they own the forests.

Not only Alaska but the states in the Northwest contain enormous quantities of paper-making woods. Sixty-one per cent of the timber left in the United States is west of the Great Plains; yet this region furnishes but an insignificant fraction of our yearly paper bill. If five cents a pound represents a stable price for newsprint at the larger centers of consumption, there is no fundamental reason why these western sources of raw material should not be drawn upon for their fair share of the 125-odd pounds of paper and other pulp products now used annually by every person in the United States.

When this demand reaches Alaska, and sooner or later this is inevitable, it is of the utmost importance that the story of the paper industry in that new region be different. It must not be self-extinguishing. What we want in Alaska is a stable industry, manufacturing as much as the forests will grow under intelligent care, but no more.

The Forest Service has already begun to mark off the coastal forests of Alaska into operating units, each containing a manufacturing site on salt water, water-power reasonably available, enough timber within practicable logging distances to justify the establishment of a large manufacturing plant, and enough forest-growing land within reach to maintain the plant permanently.

Meeting these requirements is greatly facilitated by the marvelous network of waterways which intersects the Alaskan coasts. Nature has provided the primary system of log transportation which makes by far the greater part of Alaska's timber directly accessible to her deep sea channels. It seems entirely feasible to lay out fourteen or fifteen units which meet the foregoing standards for large paper plants, and still reserve sufficient stretches of forest to provide

for all the timber needs of Alaska herself and for an export trade in lumber many times greater than the present.

There will be plenty of room as well for the small pulp plant and the independent logger who undoubtedly will be a useful factor in Alaska's forest industries. The growth of the paper industry may place ground wood plants widely distributed along the Alaskan coast at the smaller water powers. Their product would then be assembled at a few of the best manufacturing sites available to the larger powers and best shipping facilities, where chemical pulp would be produced and the two kinds of fiber combined in final manufacture at paper mills.

No attempt should be made to cast development into molds not in harmony with the practical needs of the situation. The main criterion should be to limit the cut of material from the forests to what they can produce by growth. Once that figure is passed, we shall have taken the road to timber depletion and idle mill wheels. From present estimates, this permanent yearly cut of pulpwood can be put at two million cords.

The Government must also translate its policy into business terms which will justify and protect the large investments required in paper plants, which will insure the industry its raw material at a fair price, and which at the same time will yield a fair return to the public.

#### In Case You Are Interested—

**T**O insure stability, a thirty years' supply of timber should be procurable by the paper manufacturer as a basis for installing his plant; and the terms of his contract may well reserve additional pulpwood from other disposition, which the manufacturer will have an opportunity to purchase when his initial supply is exhausted. There must, of course, be maximum limits upon the amounts obtainable and other safeguards to prevent any single interest from acquiring an undue proportion of the timber resources of the territory, so that the consumer will be protected against the possibility of monopolistic combinations.

In sales of National Forest timber in Alaska as elsewhere, the paper-maker's enterprise is not burdened by capital charges for acquiring and carrying the enormous quantities of raw material required for a thirty- or forty-year project. Neither are speculative risks through the necessity of carrying raw material for long periods involved. The manufacturer will pay for his pulpwood as it is cut month by month, and the Government will readjust the price every five years in accordance with the current value of corresponding timber in Alaska. This method affords a thoroughly stable basis for a large manufacturing industry.

The Forest Service is prepared, upon request from any responsible applicant, to

cruise, appraise, and advertise for sale a tract of stumpage containing approximately thirty years' supply for the enterprise proposed. The initial prices at which the timber is advertised are adjusted to its quality, and logging costs but usually run about 50 cents per cord for spruce and 25 cents per cord for hemlock. The average tract contains from 20 to 30 per cent of Sitka spruce and from 60 to 80 per cent of western hemlock. Prior to advertisement, a sample contract is drawn and discussed with the applicant. It becomes thereupon the "terms of sale," under which the tract is offered to the highest bidder at not less than the rates appraised.

The contracts offered by the Forest Service are lengthy but not formidable. The date when cutting shall begin is fixed, usually at the expiration of two years from the execution of the contract. A payment of \$10,000 or \$20,000, including the deposit with the bid, confirms the agreement. When timber to this value has been cut, a second payment of like amount is due, and so on through the thirty years of the contract.

The initial prices named in the instrument hold for the first five years of actual cutting, excluding the two years or so of construction. Thereafter the prices are adjusted by the Forest Service every five years, to conform with the current value of timber of similar quality and accessibility in southeastern Alaska; but in no event can the readjusted rates exceed the average prices obtained by the Forest Service in sales of similar species in Alaska during the year preceding the readjustment.

Title to the timber passes to the purchaser as it is cut. There are no interest charges on deferred payments, or other carrying charges which have so often overburdened forest industries attempting to carry their own supplies of raw material for long periods ahead.

### The Cutting Is Simple

**C**UTTING requirements in Alaska are exceedingly simple. Patches of very young timber, which are infrequent, will be reserved from cutting altogether; elsewhere clean cutting will be the rule. Natural reseeding will reproduce these Alaskan forests readily and is favored by the clean removal of the old timber. Slash may be lopped and scattered or burned as it lies. The contract fixes a minimum quantity of timber to be removed during each five-year period, to insure reasonably continuous operation, but this may be reduced by the District Forester in Alaska to meet practical conditions or unforeseen contingencies.

Timber supply is the least of the worries of the paper manufacturer in Alaska. Rafts of logs are now towed two hundred and fifty miles or more in these waters; and with the enormous quantities of stumpage available along thousands of miles of waterways, timber will be forthcoming once a market for pulpwood is established. It would indeed be feasible for a paper company to operate on a large scale in Alaska without buying standing timber at all, leaving its pulpwood to be furnished by logging contractors.

The key point in a successful newsprint enterprise is the selection of a practicable manufacturing site and the location and development of sufficient hydro-electric power. Aside from locations already occupied by canneries, sawmills, or mining enterprises which might be acquired for the installation of paper mills, many undeveloped manufacturing sites are strewn through the National Forests.

These are obtainable by any bona fide manufacturer under permit from the Forest Service, which carries no charge if the site is used for the manufacture of National Forest products. After the site has been occupied and its substantial development begun, the Forest Service will, if the operator desires, eliminate the area from its present reservation so that title to the land may be acquired under the Trade and Manufactures Site law of Alaska.

Land needed for town sites is handled similarly. During the initial stages of a new community, the use of any ground can be obtained under permit for residence or business purposes. As soon as it is evident that the community will be permanent a sufficient area is made available for entries and patents under the Town Site law.

### How to Get the Water

**T**HE development of hydro-electric power for paper manufacture in Alaska has been greatly facilitated by the Federal Water-Power law of 1920 under which licenses for specific periods may be obtained from the Federal Power Commission. In order to correlate water power and timber it is the policy of the commission not to issue a license until the applicant has purchased National Forest timber or otherwise secured a supply of stumpage sufficient for the complete utilization of the natural power, unless it is demonstrated that some other adequate use of the water power is assured.

Alaska is a long way up yonder; and the big factors of geographical location and distance from large paper markets have been the great handicaps in her industrial development hitherto. But under the prices now obtaining in the paper markets, the transportation problem from Alaska is simply one of equipment and organization. A group of southern manufacturing and power sites in the vicinity of Ketchikan is but 115 miles from Prince Rupert, British Columbia, the terminus of the Grand Trunk Pacific Railroad. A car ferry service from Prince Rupert to paper mills in this portion of Alaska appears entirely feasible. It would place the southern Alaska paper mills within approximately 2,775 statute miles of Chicago and 3,680 miles of New York City, but this routing of shipments is probably barred by the Merchant Marine Act of 1920.

By deep sea vessels, the southern group of paper plants could place their product in Seattle at 670 nautical miles, in San Francisco at 1,040 miles, and in New York through the Panama Canal at 6,300 miles. An additional 300 miles of sea lanes would include all the paper mill sites along the coast and islands of Alaska to Juneau and Sitka.

The Shipping Board rate from Pacific Coast points to New York City in 1920 was \$18 per ton. A standard rate of this character might be applicable to Alaskan points or might be subject to a small increase on Alaskan shipments. Full cargoes can be handled between southeastern Alaska and Seattle for \$2 per ton. The all-rail freight rate from Seattle to New York on paper is about \$24 per ton. Eight or ten dollars per ton would place paper manufactured in Alaska in several of the principal ports of the Orient.

It is true that the paper manufacturer encounters in Alaska an undeveloped region. He must establish and build up his enterprise under frontier conditions. His very landing to stake out a manufacturing site may be disputed by a brown bear weighing half a ton. Wharves, mill towns, machine

shops, operating organizations, all must be created or assembled on virgin shores 50 or 100 miles from the nearest store and 500 or 600 miles from the nearest base of supplies.

The most serious drawback of this character is the lack of a body of skilled labor in the region adequate for such an industry. The entire working force must be recruited in the United States and carried bodily to Alaska; homes must be built for them in the wilderness, and living conditions which will result in contented communities must be provided.

Great as this difficulty appears, it is not greater than has been overcome by the paper manufacturers in British Columbia, by the large mining companies in Alaska itself, and by pioneer industrial organizations in new regions the world over. Like the matter of distance, this handicap can be readily overcome once the manufacturer is assured of a stable paper market at a level which will reach to Alaska's shores.

Obviously the first step which should be taken by any business interest considering development in Alaska is to make a thorough engineering examination of manufacturing and power sites supplemented by a study on the part of some experienced paper manufacturer of the various elements of transportation, supplies of raw materials, labor, etc., entering into the enterprise. Twenty-five thousand dollars is none too much to set aside for preliminary work of this character before reaching a decision on a project of any magnitude. The District Forester in Alaska is prepared to show engineers the principal timbered areas and manufacturing and power sites, as far as the latter are known. The selection of timber for purchase, its appraisal, and the drafting of sample contracts are all under his direction. The District Forester and the Alaskan Chambers of Commerce will assist interested business men in any way that they can to obtain the data they desire regarding any phase of industrial development.

Alaska offers an unexcelled opportunity for cooperation between the public and commercial interests in developing a permanent forest industry. The paper mills that are established in the Alaskan forests will stay put, because permanency is the keynote of the National Forest policy and of the technical standards and practice of the Forest Service. There will be no gutting of public forests in Alaska, no specter of timber depletion, no paper mills wondering where their raw material is to come from, no communities suddenly losing their principal industry. The whole development will rest upon a known and continuous supply of raw material.

### To Restore World Trade

**A**T THE first meeting of the International Chamber of Commerce, which is to be held in London during the week of June 27, the general subject will be "The Restoration of the World's Commerce." There will be general sessions and group meetings for the detailed discussion of economic problems in the fields of finance, ocean and land transportation, communication, production and distribution, and the restoration of devastated areas.

The American Committee is now engaged in selecting representatives to speak for the United States on the various topics and is giving consideration to the personnel of the different committees. At the Annual Meeting of the Chamber of Commerce of the United States in Atlantic City, April 27-29, plans will be perfected for American participation in the London conference.

## STRAIGHT LINE METHODS

## Simplicity in Management

### The Fine Art of Business

*" . . . in all things the supreme Excellence is Simplicity"*

Efficiency is the result of intelligent simplicity.

To relieve management of needless and wasteful effort in the control of production and cost, and to simplify the direction of all important activities, office as well as factory, work must be carefully planned and the plan persistently worked.

All competent plans are based on reliable figures. The deduction of *facts from figures* and the practical, timely and systematic application of those *facts* to individual needs is management simplified—the Fine Art of Business.

This lack of simplicity is the weakness we have noted most in our many years of personal audits and system service in practically every field of industry. And always this lack of simplicity is due to the lack of a *competent plan persistently worked*.

We have just issued a small booklet on this most interesting subject, Simplicity in Management. It outlines the need of simple, straight-line methods in the control and direction of business. It shows briefly the practical, time and labor saving value of plans based on competent facts and figures. It is a hand book to the Fine Art of Business.

*Sent to executives or managers on request.*

### ERNST & ERNST

#### AUDITS — SYSTEMS

#### TAX SERVICE

NEW YORK  
PHILADELPHIA  
BOSTON  
PROVIDENCE  
WASHINGTON

CHICAGO  
MINNEAPOLIS  
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CLEVELAND  
BUFFALO  
PITTSBURGH  
DETROIT

CINCINNATI  
INDIANAPOLIS  
TOLEDO  
ATLANTA  
RICHMOND

NEW ORLEANS  
DALLAS  
FORT WORTH  
HOUSTON  
DENVER

STRAIGHT LINE METHODS

# A Rallying Place for Business

The National Chamber is soon to have a laboratory and a permanent meeting place as an outward sign of its faith in the justice of its cause

By HARRY A. WHEELER

*Vice-President, Union Trust Company, Chicago; Former President, Chamber of Commerce of the United States*

**A**T THE CLOSE of the war when American business men were disbanding and taking up their original lines of activity, there was a great danger that the relationships that had been created between government and business during the period of the war would be lost, and we would again fall back into the old pre-war condition, which was neither satisfactory to business nor satisfactory to the Government.

My impression at the time was that the only way in which to fix that proposition was to create here in the National Capital a headquarters for American business, owned and operated by American business, equipped so that through its research bureaus and its committees and its official staffs there could be a constant flow of adequate practical information of an economic character, relating to the effect of legislation and executive action on American business.

The Chamber of Commerce of the United States had at that time been in existence for a little more than six years. It had made a favorable position for itself, and had made a record of which we may be reasonably proud. The fact that there was such an organization, however, was not sufficient to concentrate in the public mind the fact that American business was an actually unified force. We can not have a paper organization widely scattered over a great country like ours, and have it constantly in the mind of public authority that it is a unified and positive force. No great movement that I know of was ever created by the sentiment of men, nor by other than a physical and stable representation.

#### Business Widely Organized

**A**MERICAN business is more completely organized than in any other country—too completely organized, perhaps, for efficiency in operation. We have a great way in this country of creating multiple organizations in the trades as well as in the communities. If what we find existent does not happen to please all of those who are directly interested in the movement, we immediately set our brains to work to find out how we can supplement it. We never try to find out how we can add to what we have got in order to serve the needs that are newly determined.

Sometimes it is because men are not in sympathy with the executive control. Sometimes it is because men want jobs. Sometimes it is because men have asked for a hearing and the hearing has not been adequate, and they have said, "We must have something of our own." The result has been that during the years we have pyramided the organizations, and in that pyramiding we have found no way in which to tie together these innumerable units that are all good in their way, but are not effective in the dealing with international and national affairs, for no local or trade unit, no matter how strong nor how well organized, can possibly exercise an influence in an international and national sense such as can be

exercised by a great federation properly organized, and representative of all.

The only way in which national affairs can be directed for the good of the public—and what is for the good of the public is for the good of business—is by a representation where the minds of men not directly affected by a project are brought to bear upon the question, and those minds giving consent to a method of operation, finally convince the public or the authorities that there is merit in the demand, and that the demand should be met. It follows that we have not reached the point where we are united into a positive and effective force.

One reason for it is this: A trade organization, strong and virile in its own industry, meets and considers its requirements. It decides that certain action shall be taken by public authority in State or Nation. It proceeds immediately through its own committees to appeal for what it needs. It has not yet learned to come to the Chamber of Commerce of the United States and ask that the problem be studied by business generally, and that business generally concede the need. The result is that what is gained is often but a minor part and that part is the result of compromise.

I do not know how to take 1,400 great organizations that now comprise the Chamber of Commerce of the United States, and have in the minds of the executives of that great number of separate bodies the necessity to combine their appeal with the appeal of the federated organization, unless we can create that instrumentality which, because of its physical character, will draw the minds of men to a common center, a central home, a place for research and for inquiry and for final results, and ask that in that place and through the medium of all of the factors that are there at command, this needed thing shall be appealed for and shall be had.

We often feel that a man is the best citizen when he has his own home. We often feel that a great business house is a better part of the community when it owns its own property. There is a stability about that that no one can gainsay. Is there any difference between a great federated organization like this and the individual in his own home, or the business house in its own headquarters?

Does business succeed better when it is built upon a foundation of its own, on land that it owns, and in buildings that it has created, than when it is in a place it may rent, and from which it may move at pleasure from place to place and from city to city? We know that an individual business does succeed better when operated in its own home. Does the man attend to his patriotic duties better when he is housed in his own home? We know that he does.

Can we then expect public authority, changing as it does from year to year, and at stated periods changing altogether to follow constantly through the theory and the sentiment and the paper organization and the

protestation of solidity and unity, unless we give a physical expression of it?

The Chamber of Commerce of the United States without a physical expression will proceed to do its work. It will exercise an influence, and I believe a growing influence. But the day that it gives for American business the evidence of unity, the solidity and the stability that would accompany a physical representation of itself, a place where its affairs can be discussed, where the economic soundness of policies can be determined, where we can come when we have business with public authority, and, under our own roof, and under proper surroundings, negotiate with those who are handling our affairs, for the things that we know to be vital and right, where, because there is a sanctity in the home, American business would not permit anything discreditable to itself to be consummated, that day, American business will achieve its largest influence.

#### Give Industry Its Lasting Home

**T**HE only way in which American business will serve itself, and in serving itself, serve our country, is by raising a standard around which men may rally for worthy causes. Back in the time of King David, the Children of Israel, the chosen people, having a contact with a higher power, were without a physical representation of the thing they believed in. Almighty power is quite powerful enough to overcome any disadvantage of that kind. But Almighty power did not see fit to crystallize a paper organization. Almighty power said to King David, "You must build me a house," and He not only said, "You must build me a house," but described the kind of house, and its measurements and its capacities and its purposes.

Well, if the Almighty, Who knows more than we know of the need of things, and of the tempers of men, started out in King David's time with the necessity of physical representation, do you think that human nature has so changed that today physical representation is unnecessary? Physical representation is as necessary today as it was in David's time, and human nature is the same today as it was in David's time, and men are led to consolidate their efforts and to center their enterprises and to create and use their influences when there is a tangible positive thing to which they can cling.

American business, when it plants itself in Washington, will bring about the day when the counsel of American business will be sought and will be heeded, because it will be evidenced by unity, by honesty, and by integrity of purpose, and it will be heeded because those are the characteristics which the public interest demands of any force in this country, if that force shall be listened to in this democracy.

And until organized business, powerful as it is, in its unity today, raises its standard in Washington, visible to the people who come here to visit the Capital, visible to the people who make our laws from year to year and from generation to generation, it will be

# Executives—A Suggested Improvement In Shop Practice

**Whether or Not You Interest Yourself in Shop Practice of Your Organization, Here is a Suggestion How to Increase the Effectiveness of Your Power Equipment and Decrease Costs.**

It is because an open minded executive may often materially improve the practice in his shops through the adoption of new and better methods that we publish this article.

## Of Exceeding Importance—but Often Neglected

One phase of modern transmission practice that develops importance as soon as attention is directed to it is lacing or joining of belts.

Considerations of expense, elimination of delays of machinery operation, loss in time of idle workmen and saving of belting itself, are all involved.

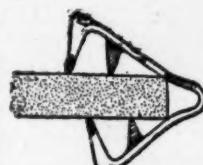
To the uninformed, surprise is expressed at the inadequacy of present methods—and they are improved. An improvement in your plant may also bring about the savings indicated.

## The Basis of a Comparison

Compare these following facts with practice in your own shops.

The lacing shown below takes a half hour or more of a mechanic's time. How different with ALLIGATOR Steel Belt Lacing. Any average workman can produce a perfect ALLIGATOR joint in three minutes, and no tool or equipment but a hammer required.

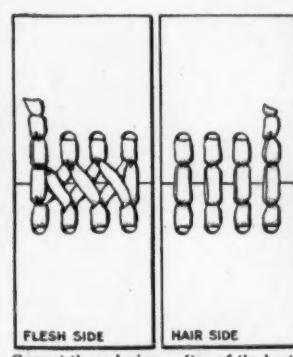
This lacing in hundreds of tests has been proved the strongest on earth. It is permanent. "Never Lets Go."



Actual size of No. 25 Alligator for single leather or 4-ply fabric 3-16 to 9-32 thick. Note double staggered teeth.

## A Standard For All Belts

Alligator lacing lacks nothing in versatility. It is made and supplied in sizes to fit any belt of leather, solid woven cotton canvas or bata; from tape to  $\frac{1}{2}$ -inch thickness and any width, thus permitting a plant to standardize on Alligator Steel Belt Lacing for all belting.



even when they are applied by experts.

One nationally known manufacturer told us recently that at least nine out of ten cases where their belting "failed" could be traced

## Belting Service

Manufacturers of bettergrade belting have recommended Alligator for over 10 years for it lengthens belting service and avoids troubles common to thong and other lacing,

to bad joining of the belt ends and to punch holes. His estimate is conservative.

With Alligator lacing no holes are punched to weaken the fabric. No bump stretches the belt over the pulleys, no unevenness in tension can develop after the belt is laced. With the easily made Alligator joint broken, flopping and wild running belts caused by uneven lacing are avoided.

Alligator permits use of either face of the belting. It saves delays and expense for

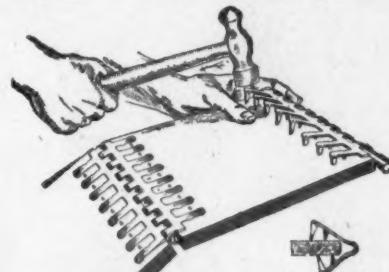


others amounting to hundreds of thousands of dollars annually. These features should appeal to every executive.

## Wherever Belts are Used

Alligator Steel Belt Lacing is in use in every industry in every machinery-using country in the world on millions of belts. Thousands of concerns in the United States today are using Alligator for ordinary and extraordinary requirements on power transmission and conveyor belting under every imaginable condition.

We are willing to make for you or to permit made, competitive tests on the strength of Alligator with any other lacing on earth.



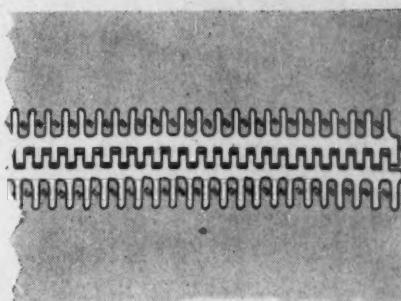
Nothing needed but a hammer to apply it—and you already have a hammer.

## An Interesting Construction

The illustrations show the flexibility of the Alligator joint and the steel rocker hinge pin. These pins, two to a joint, rock upon each other absorbing practically all the wear. They have never been known to wear through and are studded to set permanently into the spaces between the teeth, so that tension must be loosened and an effort made before they are displaced.

Alligator lacing is die stamped from a special formula of cold rolled strip steel. The long front teeth clinch through the belt lengthwise so the burden bearing fabric is not weakened. The minor teeth hold in the same manner without need of clinching and practically double the strength of the larger teeth.

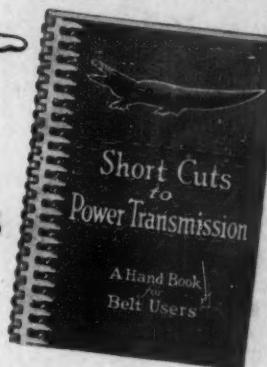
Our proposition is as good as it sounds. Alligator has no weakness. Alligator Steel Belt Lacing, properly applied, will effect a very



satisfactory saving not only in time of lacing and in permanence of lacing but in the life and service of your expensive belting as well.



**Send for this Book Now**



Let us send you one or more copies of this book. Look it over and then pass along to your purchasing agent, shop superintendents or foremen with your recommendation. It contains authoritative data on the selection, care and use of all kinds of belting, tables and simplified formulas for figuring out new installations and replacements, working out difficult drives according to modern practices—also an illuminating chapter on belt lacing.

"Short Cuts" is in use by engineers and in a number of nationally recognized Technical and Engineering Schools, supplied to them upon request as the most complete, practical book of the sort ever written.

At the same time we send the book, prices and a convenient source of supply of Alligator Steel Belt Lacing will be indicated.



**Flexible Steel Lacing Co.**  
4626 Lexington St., Chicago  
135 Finsbury Pavement, E. C., London

## Flexible Steel Lacing Co.

4626 Lexington Street, Chicago.

Gentlemen:—Without obligation on our part kindly send us price lists and complete details on Alligator Steel Belt Lacing. Also ..... copies of your book "Short Cuts to Power Transmission."

Firm Name.....

Address.....

Name of Inquirer.....

regarded as a transient resident of Washington, here only when selfish interests are to be served and demands for our own special benefit are to be put forward.

And on that day when that building is erected, and we are there housed, and are meeting there instead of here, and are inviting men in the Departments and men in Congress to come and counsel with us in the chambers of our own home, then will be laid the cornerstone of a new and a better relationship between American business and all upon whom American business must depend.

Neyer was there a day in the history of our country when it was so necessary that right influence should be exerted and that wise decisions should be made. Take the legislation that has been proposed since the opening of the present session of Congress in December, and analyze it in its influence upon the business economy of this country, and then measure what is being done to clarify the conflicting situation, and to bring about wise legislation and wise regulations, and then tell me whether there has ever been a time when there has been so much necessity for wise thinking and for far vision and for unselfish effort.

The patriotism of American business cannot be denied. The evidence of what was done during the war is an open book. What American business did during the war is something that we shall always read in that book with gratification. If patriotism stopped when the Armistice day came and we were allowed to go back to our own affairs, and become immersed in dollar chasing again, then the things for which the war was fought will have been lost altogether.

If there ever was a time when patriotism should be exercised plus, it is in this difficult period of readjustment, and if American business, through anything that it may do, shall fail in its obligation to carry on until the readjustments are made, until stable governments are created, until new financial strength has come out of an almost impossible financial situation throughout the world, we shall have failed in the most important thing for the development of the new world and the new civilization for which we have struggled, and for which we hope.

During the years of unusual demand upon American industry consequent to the war we have expanded those great industries to a point that now we are capable of over-production with respect to domestic demand by a much greater per cent than in the pre-war period. Domestic consumption is not going to increase with great rapidity, and for very good reasons. The demands that were made during the period of wild and reckless buying will be succeeded, as they are being succeeded, by conditions of economy and thrift.

How are we going to keep factories busy to employ labor and produce for our own use acceptably and economically if business is so far declined that we can only operate on a basis of 50 per cent of capacity? All that lies before us is a hope to retain that export business which we have, and to build upon it.

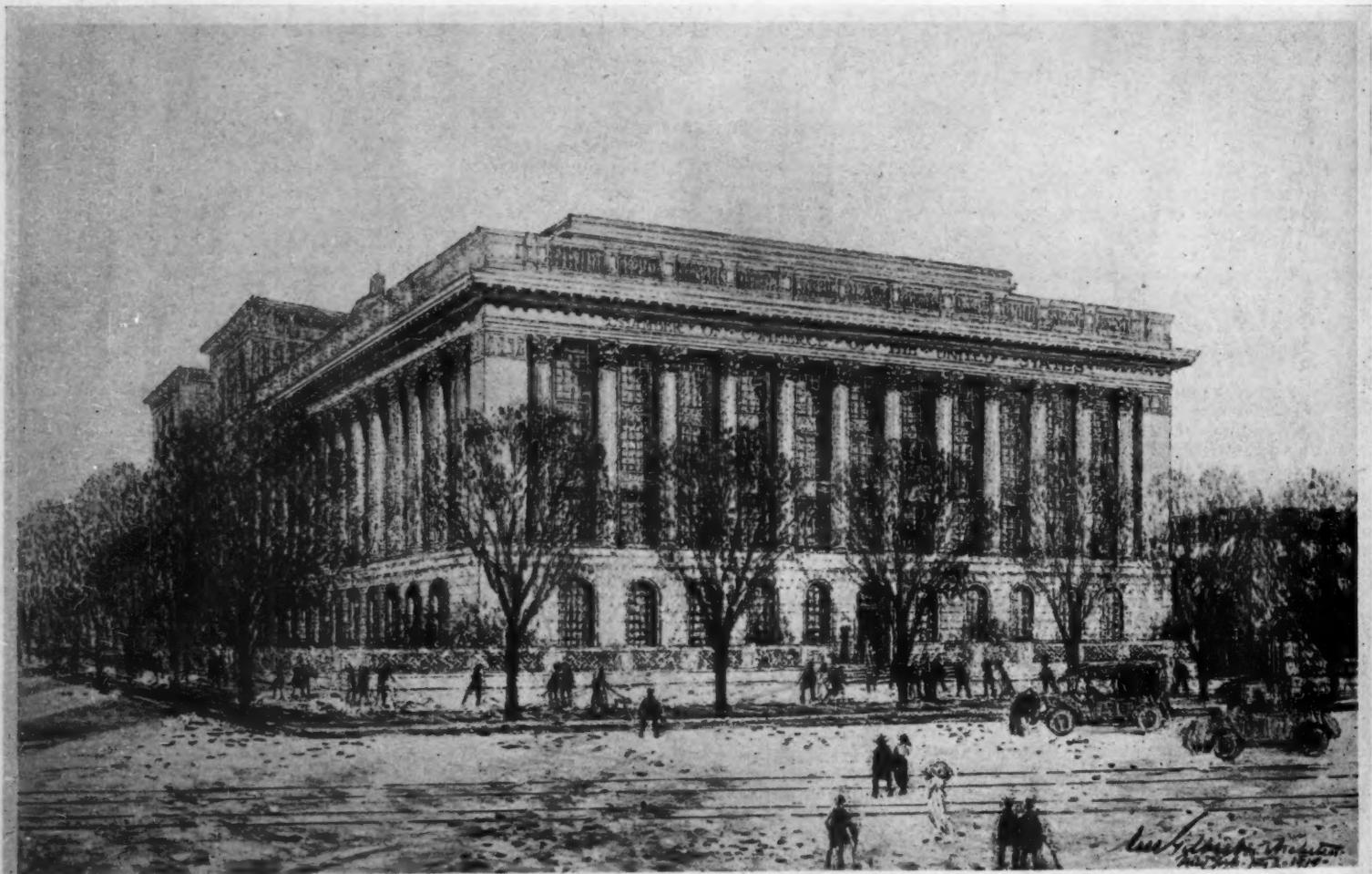
If we build an export business we must have a foreign policy, a foreign policy not only politically but commercially. It must be a policy that can be laid down truly and simply, and a policy that will be not tentative in its character nor temporary in its enforcement.

ment, but a policy that will continue through year after year, administration after administration, and generation after generation. And until such time as American business aids the American Government in the formulation of that policy, both political and commercial, American business will suffer for its lack of foresight and thought and for its lack of cooperation.

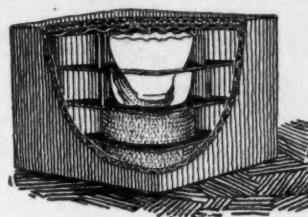
We have equally difficult problems here at home. What measure of government control is to be put around American business in these years that are just ahead? We would not dare to assume that it would be less than in the pre-war time. If we dare to assume it, look at the legislation that is now being presented in Washington—the regulation of the packing interests, the control of the coal interests. Look at the legislation that is being presented in different States—Montana's Price Commission; Indiana's Food and Fuel Commission.

The great question that we have before us is this: Shall American business cooperate with the Government in making the rules by which such regulation shall be carried on, or shall we trust it to political authority to make those rules, and by forgetting our own obligation suffer, as we must necessarily suffer, by a regulation that is ill conceived and unwise.

The greatest obligation, in my own mind, not only for the safety of American business itself, but the carrying on American business responsibility as a political and as a patriotic measure for the welfare of this country, is that we shall participate in making the rules under which as business we shall live.

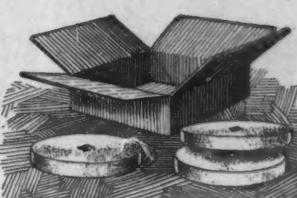


The new home of American business, from the design by Cass Gilbert. The land and building are to cost \$2,750,000. Of this, \$1,500,000 is on hand or could be called in in 24 hours. The greater part of the rest has been pledged.



PROTECTION in transit for his extremely fragile products was obviously essential to this manufacturer. Specially constructed H & D boxes are now safeguarding all his shipments.

HERE H & D Boxes solved the packing problem for a manufacturer of heavy alundum grinding wheels. These wheels are packed and shipped in H & D Boxes to all parts of the world.



## Better Packing For Every Product

FROM containers and packing for fragile glassware to sturdy boxes for heavy alundum grinding wheels, suggests the great range of packing requirements so successfully covered by **H & D Corrugated Fibre Board Packing Materials.**

Each of the products above, presented a packing problem widely different from the other; yet the manufacturers of both articles declare the H & D way of packing their respective products, ***the most economical and safest method ever employed.***

Economically, ***Hinde & Dauch Corrugated Fibre Board Boxes, Containers and Auxiliary Materials*** are unequalled and there is no reasonable packing requirement that they cannot successfully meet.

Let us show you how satisfactorily ***your*** packing needs can be served with H & D boxes, containers, tubes, pads, and partitions. Send us collect, a typical sample shipment of your products, and our special service department will return them to you prepaid, packed in a made-to-fit H & D Box. This is a free demonstration and places you under no obligation.



## Business Finds Itself on the Road to Recovery as the Farmer Brings His Produce to Market

By ARCHER WALL DOUGLAS

THE most convincing evidence that we are on the high road to recovery is found in the universal report, brought by traveling salesmen from every section of the country, of steadily growing sentiment that "business will be better in the spring"—not a sudden return to prosperity, which is neither likely nor desirable, but a slow and natural working out of those processes of liquidation which are now in full operation.

There are few who are more responsible than these same traveling salesmen for the growth of this healthy sentiment, which in effect is the recognition of the inherent

bottom in all lines, and even a Wall Street lamb does not buy heavily on a falling market. The general thought inclines to early spring, March or April, as the date when distinctly definite improvement will set in, though in many parts of the Cotton Belt the belief is that June is early enough to expect a decided change. Yet scarce any believe that present conditions will prevail throughout the year.

All are agreed that the only way to hasten matters is by the general exercise of the homely virtues of hard work and economy.

The South intends to illustrate this theory in a

### Business Conditions, February 11, 1921

THE MAP shows at a glance the general condition of the country. It is prepared by Mr. Douglas as a weather map of business. The light areas indicate promising crops, industrial activity, the creation of new needs in home, shop and farm—in a word, "high pressure" buying markets. In the black areas these conditions are lacking, for the time being. The shaded areas are "half way."



soundness of the situation, and that the remedies for it lie largely in constructive action. Not only is sentiment improved, but there is definite increase in the volume of business done. It is not a very great increase, but as Mercutio says, "Twill do," for it forecasts the beginning of better days. Farmers are gradually bringing their produce to market. Bankers are slowly "loosening up" and extending to farmers and dealers, money and credit, the two vital factors needed to restore the situation. In the tobacco districts of Kentucky, where the deadlock between sellers and buyers seemed unbreakable, there are increasing reports of agreements made and sales consummated.

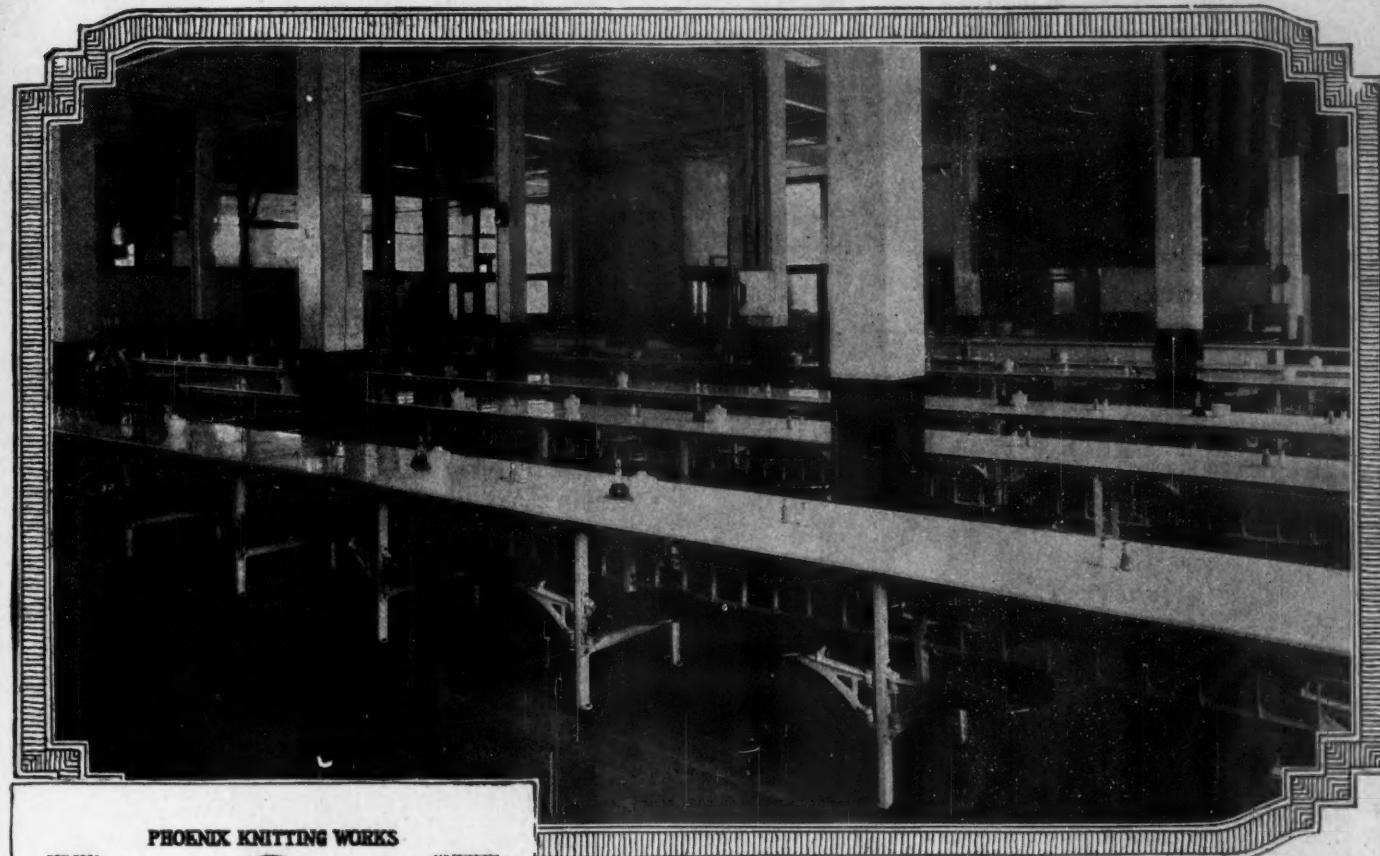
Despite the general story of farmers withholding their products, there is daily a steady stream of grain and livestock coming to market, not in full volume, but enough to assist in alleviating the situation. Shipments of early fruits and vegetables from California and the South are running heavily, some 10,000 cars per week, thus distributing much-needed cash among the growers. Caution and conservatism are still universal among merchants in buying, and most orders are restricted to immediate wants for keeping up assortments.

Out in the world of cold, hard facts, few take much stock in the current prophecies of the coming of a new prosperity at any specified date. Nor yet in those mystic charts which foretell when declines will cease, and business resume its upward march. For it is perfectly obvious that prices have not reached

very practical fashion this year by raising the cheapest cotton crop in years; a crop grown on a "corn meal and syrup" diet system of expense. Also farm labor everywhere will be cheaper this year and improved farm machinery is decreasing the cost of production, and increasing efficiency per man.

The present distressful situation brings into vivid relief the inherent and fatal weakness of one crop countries—cotton and tobacco as salient examples—and how they fail their growers in time of tribulation. The saving grace of the situation today consists in the revenue producing capacity of the numerous factors in the diversified farming sections where livestock (especially hogs and poultry) and dairy products are furnishing ready cash to the farmer and helping him liquidate his obligations. Fortunately the South has progressed a long way towards diversification since the last era of low priced cotton.

The tremendous importance of the Dairy industry may be gathered from the story of its annual productions—ten billion gallons of milk, 1,500,000,000 pounds of butter, and 800,000,000 pounds of cheese. To these must be added its hundreds of millions of dollars invested in dairy cows, buildings, land and supplies. Production is now, and will continue to be, the



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Gentlemen:  
We find the tables which you installed  
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The tops are very sanitary, and the  
swing seat feature is good, as only a limited  
amount of space is used while the seats are  
occupied. This feature also eliminates the  
handeling of chairs when cleaning the floors.

Yours very truly,  
PHOENIX KNITTING WORKS.

M.S.  
Jan. 7, 1921.

Installation of Phoenix Knitting Works, Milwaukee, Wis.

## Here Is Evidence

**S**ANI Lunch Rooms are now being installed all over the country. This is the ideal time. Production is light. Overhaul your plant now and get ready for big business. Your workers need a lunch room. Install now—get geared up. If you don't figure on big business—there will be no big business. Sani lunch room equipment will meet all requirements. Write today.

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REG. U.S. PAT. OFF. AND ALL FOREIGN COUNTRIES

Radiantly-white Sani-Onyx table tops do not require table cloths. Their surface is as hard and smooth as polished glass and can be easily cleaned by simply wiping with a damp cloth. Sani-Metal table bases are made of fine-grained cast iron, heavily coated with porcelain enamel. Note the "swing seat" feature which eliminates the stacking of chairs. This type of base does not absorb grease and dirt and will last a lifetime in any climate.

### Write In Today

Let us send you our latest catalogue which shows all kinds of industrial lunch room equipment. We have facts and figures that will interest you. Our engineering department will lay out your space free of charge. Write today.

*These materials may be purchased from local distributors. Our export department is completely equipped to handle foreign business.*

**Sani Products Co.**  
1923 Sani Building, Chicago, Ill.



*Dalton Advantages in Brief*

- 1 One machine for all figure work
- 2 Instantly operable by anyone
- 3 Fewer keys—less opportunity for error
- 4 Keyboard scientifically arranged for "touch method" operation
- 5 A faster adding machine
- 6 An adding-calculating machine combined
- 7 A machine of broader usefulness

# THE DALTON SERVES THE ENTIRE WORLD OF BUSINESS

Simplicity, speed, versatility, and durability have made the Dalton the universal figuring machine.

In the 135 classifications of business listed below, all of which the Dalton serves, every class of producing, manufacturing, wholesaling, retailing, professional, and service organization can be found.

In a single day, calls for Daltons have come from as many as 83 of these different fields.

There is a reason for this universal preference. These highly diversified lines of business have installed the Dalton because it represents an improvement in the handling of figure work. Adding and calculating have been combined in one machine, at one cost, providing a better figure-worker for every business.

**SIMPLICITY.** The Dalton has 10 keys only—one for each figure. Column selection is unnecessary—numbers are automatically arranged in their correct order by the machine itself. Anyone, even a person who has never before operated an adding or calculating machine, can use the Dalton immediately for every figuring task that comes up in the day's business.

**SPEED.** The scientific arrangement of its 10 keys also makes the Dalton the natural "touch method" machine. 25 to 80 per cent greater speed is made possible by this ease of operation; eye-strain and mental fatigue are eliminated.

**VERSATILITY.** The Dalton adds, subtracts, multiplies, divides, figures interest, verifies invoices, cross-foots, tabulates, makes out statements, multiplies whole numbers by fractions, fractions by fractions, adds two totals at once, and performs various mathematical calculations with a speed and accuracy that is almost beyond belief.

**DURABILITY.** Dalton durability is established, and after-purchase service is available at all times to Dalton users everywhere.

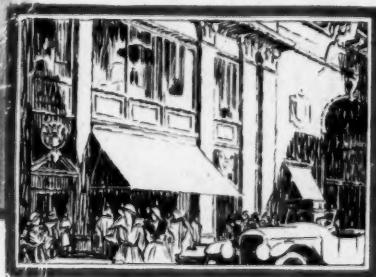
Phone the Dalton Sales Agent in any of the 100 or more leading cities—have one of our representatives bring a Dalton to your store or office. It will cost you nothing to have a demonstration. Or write—our folder contains facts about the Dalton that every business man should know.

THE DALTON ADDING MACHINE COMPANY, 807 Beech Street, Norwood, Cincinnati, Ohio

Agents for Canada: THE UNITED TYPEWRITER COMPANY, Toronto and Branches

## In All These Lines of Business DALTONS Can Be Found

Agricultural Impl's	Carpets	Drugs	Gasfitters	House Furnishing	Millinery	Patent Medicines	Saddlery	Teas and Coffees
Automobiles	Carriages	Dry Goods	Gas Fixtures	Ice	Mining	Pianos	Sash and Blinds	Telephones
Auto Supplies, etc.	Car Wheels	Electrical Supplies	General Hardware	Jewelers	Motorcycles	Planing Mills	Sawmills	Tin
Bakers	Cheese	Engines	General Stores	Lead Pipe	Music	Plumbbers	Seeds	Toys
Bicycles	China	Fancy Goods	Glassware	Leather	Musical Instruments	Plumbers' Supplies	Service Organizations	Trunks
Blacksmiths	Cigars and Tobacco	Farming	Grain	Leather Findings	Notions	Printers	Ship Chandlers	Undertaking
Boilers	Clothing	Feed Dealers	Grist Mills	Lithographers	Nurserymen	Produce	Smallwares	Upholstering
Books	Cloths	Fertilizers	Groceries	Lumber Dealers	Oil Dealers	Professional Service	Spices	Varieties
Bookbinders	Coal	Florists	Guns	Machinery	Opticians	Provisions	Sporting Goods	Varnishes
Boots and Shoes	Confectioners	Flour Dealers	Hardware	Machinists' Supplies	Organs	Publishers	Stationers	Vegetables
Brewers	Contractors	Flour Mills	Harness	Maltsters	Paint Dealers	Pumps	Steamfitters	Wagonmakers
Builders	Creameries	Foundries	Hats and Caps	Manufacturing	Painters	Railroad Supplies	Steam Forges	Watchmakers
Builders' Supplies	Crockery	Fruit	Hay	Masons	Paper	Refrigerating	Stoves	Wheelwrights
Butter	Department Stores	Furniture	Hides	Men's Furnishings	Paper Boxes	Restaurants	Tailors	Windmills
Carpenters	Distillers	Garages	Hotel	Metals	Paperhanging	Roofers	Tanners	Wood



Retailing



Professional



Service Organizations

**Dalton**  
Adding-Calculating Machine

# What's Coming this Spring?

Are stocks a buy for the long swing?

Preferred stocks or bonds—which, in the present market?

How about money rates?

## Babson's Reports

Babson's Barometer Letter just issued gives you the plain unbiased facts on the present situation, and forecasts coming conditions with remarkable accuracy. It contains information of vital importance to every investor.

### Report on Request

Copies of the Barometer Letter are available for distribution to interested investors gratis.

Tear out the Memo—now—and hand it to your secretary when you dictate your mail.

*Merely Ask for Bulletin C-41*

### The Babson Statistical Organization

Wellesley Hills, 82, Boston, Mass.

*The Largest Organization of Its Character  
in the World*

*CLIP OFF HERE*

### Memo For Your Secretary

Write The Babson Statistical Organization, Roger W. Babson, President, Wellesley Hills, 82, Boston, Mass., as follows: Please send me a copy of Special Bulletin C-41, and Booklet, "Should Business Men Buy Stocks?" gratis.



dominant factor in the business situation. Yet it must be accompanied by intelligent forethought as to adequate distribution of the thing produced. Last summer a large proportion of the Garden Truck crop in a section of the Rio Grande valley was a dead loss to growers because of lack of cars. Somewhere there had been lack of coordination between Production and Transportation.

Nor in the matter of quantity production is there either good sense or good business in a mill continuing to produce more goods than there is prospect of its selling in a reasonable time. The difficulty was, in the days of our fatness, that the industrial worker lost his stride in the vital essential of both quantitative and qualitative production per man. Only by return to his former efficiency can there be efficient and economical production.

A recent expression of opinion by a number of representative business men throughout the country brought out the significant fact that they were not so much concerned about the problems of labor, material, prices, transportation, and collections on the whole, as they were with the question of sales. In other words, when demand starts up, the whole tangled economic skein will begin to unwind like the Nursery Rhyme when the butcher began to kill the ox, and the ox began to drink the water, then the pig at the other end of the Rhyme began to get over the fence, and the woman got home that night.

While unemployment is still larger, there is more work and less idleness on the whole in industrial sections. The lessened production in manufacturing has naturally resulted in decreased output of coal. Also in the oil fields there are falling prices accompanied by cutting down of output.

While building is practically at a standstill throughout the country, save in Los Angeles and around Palm Beach and Miami, there exists the general expectation, in nearly all sections, of a revival in the early spring, somewhere around the first of April, provided certain contingencies obtain, namely, lower costs of labor, and the assurance of steady, efficient work, lower costs of building material, and greater ease and certainty of obtaining loans from banks on construction work. The nature and extent of building during this year will depend almost entirely upon the extent to which these factors prevail.

There will probably be more building in the cities than in the towns and less in the country than in either of the former two.

There will be much construction of dwelling houses and a great many schools will be erected if building gets under full headway.

The stagnation of business in agricultural sections brings home to us the vital truth,

previously known but not realized, that farming is by far the most important and essential business in this country, and that the solution of the farmers' troubles is not simply a class proposition, but inherently a matter of vast national concern. Fortunately for the country, some very potent forces, notably the Department of Agriculture and the agricultural colleges of the State universities, have been camping out on this problem for a number of years, and with notable results.

They taught the true conception of farming as a business with the farm as the producing plant, and hence the necessity of the farmer's being at once an intelligent manager and an efficient workman. Production was naturally the first lesson, and how well it was learned is shown by the story of last year's crop, which will always stand as a record performance, done under handicaps of adverse weather and a plentiful lack of labor.

This great success immediately ran afoul of the still unsolved problem of distribution, particularly as to exchanging the products of the farm at a remunerative price for other products that the farmer needs. This problem the farmer seeks to solve largely by co-operative associations, and it is already evident that he has opened up a vast field of new endeavor in this direction. A more serious problem, and long known by those educational forces working in his behalf, is the steady and apparently unchecked drift of the young folks from farm to city. Some recent surveys of many thousands of farms bring out vividly upon what simple homely truths our great economic system rests. The story starts with the axiom that the farm home is the vital part of the farm, and ends with the beginning and end of all things—the Eternal Feminine, the farmwoman. Contrary to most of our ideas, she loves the country, on the whole, and prefers its freedom, its sunshine and fresh air, its quiet, its contact with nature, and its simple pleasures to the garish city with all its allurements.

Especially does she realize that it is a far better place to rear children provided she can have the same opportunities as the city in the form of sanitary and labor-saving appliances in the home, the same educational advantages for her children, and the same opportunities for making her home attractive and beautiful. Such is the story, whether in the State survey of Oklahoma, or in the microcosm of the study of Lone Tree Township made by the Ames State College of Iowa. It is the old, old story that all the country needs is equalization of opportunity in the really vital things of life.

## Nation's Business Observatory

Comment on the Calder and Gronna Bill—The lumbermen and the Federal Trade Commission Report—Labor and employer on the secondary boycott decision

AMERICAN BUSINESS again finds itself face to face with the question: Where shall government regulation stop? Proposals to put the coal industry under the power of the Federal Trade Commission and to name a commission which shall rule the meat packers have stirred the trade press. This is the form that much of the comment takes: If one line of activity shall be regulated, why not another?

Lumbermen, deeply concerned over the slowness of building, are resentful of the activity of the Federal Trade Commission.

Their complaint is that the recent report which discussed the activities of their associations dealt only with a time of rising costs and rising prices and ignored the period of depression which brought wood down much nearer to its pre-war levels.

The opponents of the closed shop find much comfort in the recent decision of the United States Supreme Court which in the Duplex Printing Press Case held the secondary boycott unlawful.

A question still in the manufacturers' and wholesalers' mind is that of cancellation, and

well worth reading are the extracts which we quote from the opinion of Judge Bledsoe of the United States District Court.

### Coal and Packers' Bills a Menace to All Industry

NO LEGISLATION of recent days has stirred more bitter comment than the Calder bill, which is described in the *Coal Trade Journal* as "an initial step towards nationalization" of the coal mines and as "threatening with disintegration" the whole fabric of American business.

There is little likelihood that the Calder bill, or for that matter the livestock commission bill, will be passed at this session of the legislature. It is significant that the coal mine workers are openly opposed to the Calder bill. As William Green, the secretary-treasurer of the United Mine Workers, put it:

We fear governmental authority in the fixing of wages and we are apprehensive lest the courts construe the emergency sections of the Calder bill so that miners might be compelled to work regardless of work conditions.

Whether this particular bill dies or lives the menace remains, and it is a threat not only against the coal business but against all industry. As the *Journal* points out:

The cost of coal at the mines represents less than two per cent of the total value of the manufactured products of the country, as reported by the Census Bureau. The latest budgetary studies say that heat and light constitute 5.6 per cent of the cost of living for the American family. If Congress is able to declare coal "charged with public interest and use" on such a showing, where can the dividing line be found that will separate purely private from public and quasi-public enterprises? If intimate control of the coal industry is upheld on any ground, what business is safe from political spleen and the dead hands of the Peeping Toms and Polly Prys of such agencies as the Federal Trade Commission?

The man who is resting in the fancied security that Congress can not make a political plaything of his business is sleeping in a fool's paradise. The Constitution of the United States says that "Congress shall have power . . . to regulate commerce with foreign nations and among the several states." The grant could hardly be broader. It is for the country, and particularly the business men of the country, to declare whether it shall be the national policy of the United States to exercise such powers in the restrictive way common to political regulation.

*The Black Diamond* does not spare its own industry when it criticizes the bill. It admits frankly that pyramiding did occur; that "resales among some wholesalers making possible abnormal and unjustifiable profits were made."

But admitting all this, asks *The Black Diamond*, does it justify the Federal Government in confiscating profits of the wholesaler? The wholesaler is not an evil; he performs a real service to the community:

Eliminate the wholesaler from the industry and you eliminate from various sections of the country certain coals which cannot be handled in these markets except by jobbing concerns. The wholesaler also performs a service of great value to the retail trade in diverting coal from one merchant to another under distress conditions, to the mutual advantage of both, as well as of the public. He can perform this service better than the small operator, because by the nature of things he is in closer contact with local retail conditions and with the status of rolling coal.

Although the attempted confiscation outlined in the Calder bill would affect the wholesaler more directly, such a program cannot be supported for the welfare of the Nation as a whole. If the Government can take such steps in the coal industry, it can take them in every industry. It can regulate how much profit an inventor may get regardless of the value of his invention to the world. It can in-



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### The Wrench on the Safety Valve

JUST "hanging the wrench on the safety valve" is the phrase which *Coal Age* gives to the Calder proposal. It takes up the premise on which that proposal is based "that coal, its production and distribution are charged with public interest and use" and says:

If this be the dictum of Congress, then coal becomes in a class with regulated public utilities. Though the measure now being considered does not go so far with the coal industry as other laws do with the railroads and municipal utilities it is plain that this is but the first step. And because it is the first step toward permanent and more or less complete regulation the coal industry has been and is opposed to it, just as it was openly opposed to any form of government interference with the industry last year.

The point of view of the man who produces, sells and trades in coal in this regard is perfectly reasonable and natural. It is but that of any American business man who prefers to conduct his own business in his own way without interference. Our opposition to the work of the Calder committee has been based on the fact that it has spent its time proving the already admitted fact of high prices and endless passing of coal from jobber to jobber, with added increments of price, and that it has shown no disposition to study the problem, and our objection to the Calder bill lies in its objective—namely, to sit on prices, without attempting in any way to control or remedy the cause of the high prices.

The protest against the Gronna bill to put the live stock industry under commission control is based on the same general ground but there is the added objection of the creation of a large additional body of Federal employees.

Senator Reed, of Missouri, raised that point when he said to the Senate:

We talk about discretion and vesting discretion in a board. We always assume when we vest these discretionary powers, that they are going to be exercised wisely. We forget that the authority to exercise a power wisely is also a power to exercise it unwisely, and that when we vest these powers in a little coterie of gentlemen who are brought in here to Washington, most always inexperienced, most always incompetent to make a living at home, and therefore belonging to the brigade who are seeking a salary and a livelihood away from home, that the power of discretion that we vest in them is very likely to be unwisely exercised.

*The National Provisioner*, the official organ of the Institute of American Meat Packers, quotes, with approval, these words of Senator Reed's, and adds:

How can any man or group of men competent to fairly administer these laws be attracted by the salaries to be paid? If competent, they are already employed in lines of business where ability counts; and if incompetent, then the industry could well afford to pension them and exile them to some locality where their mild form of insanity would do little harm.

If there exists any superman capable of handling a job of this magnitude, his talent and ability might well be used in productive channels. If the job is to be used merely as a "stepping-stone" for some politician with ambitions to reach some particular office, the men who have built up this great industry will have labored in vain.

Very sane is the language of the *Commercial and Financial Chronicle* in discussing the packer bill and well worth consideration is the point of unfairness to an incoming administration.

It is an economic truth that all productive or distributing industries can work at the lowest expense, can keep wastes at the minimum, and can be

able to sell at the lowest profit margin, when they operate on a vast scale; this is especially true of perishable foods. It is also true that of all human agencies for doing anything, Government accomplishes least, wastes most, and is the most costly.

Moreover, we are contemplating—or, at least, are talking of— withdrawing Government from every form and sort of meddling with business, in the hope of gradually infusing some method and economy into its own affairs, now managed in a way which would quickly bankrupt any private concern yet holds out because Government can draw checks at will on the whole country.

Furthermore, these are the last weeks of an expiring Congress and (as we hope and have some reason to expect) of a bad policy which has been enormously expanded under the plea of war emergency. Shall we behave as if the election conveyed no meaning and no mandate, and as if the estimable man who will soon assume serious duties had not openly committed himself to retrenchment, simplicity, and what he aptly terms normality?

In sober truth, this passing Congress will best meet its duty and best serve the country by doing the least it can do—other than the work of appropriations, including in that task the other needed requirement of cutting expenses to the utmost. On the score of expense, of a just freedom from commitment, and because of its own viciousness, let this additional “control” scheme be frowned out of sight, and let the twin monstrosity concerning the coal industry be sent to oblivion with it!

The steps which lead to “more government in business” are pointed out by *The American Contractor*, which takes New York as an example. There the sorry situation brought out by the Lockwood Committee, which investigated the building industry, has led to a proposal for a state trade commission with powers over the construction industry similar to those of the Interstate Commerce Commission over the railroads. This is the way it comes about:

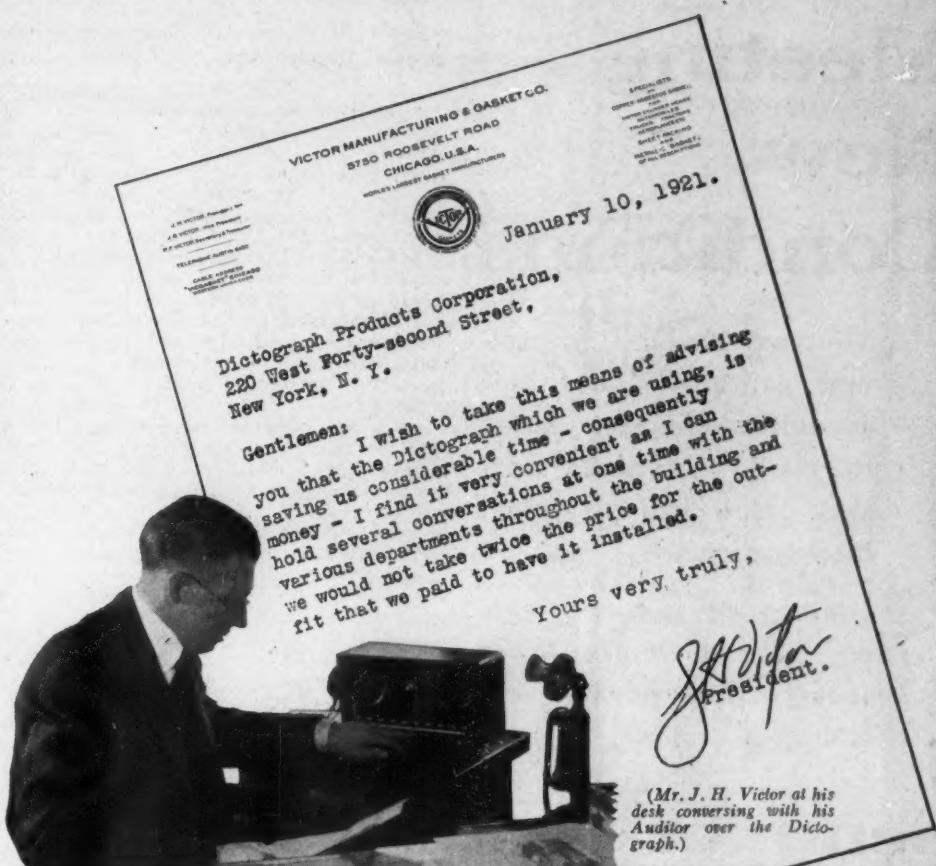
When a great public need arises there is at first a clamor that those who previously made it their business to meet this need, “do something about it.” If this clamor does not inspire action on the part of the private initiative, it is not long before there are investigations. If these investigations bring forth the evidence of neglect and misconduct on the part of those who previously made it their business to meet the need, there is demand for legislation to regulate, and if regulation fails, as it does nine times out of ten, the people insist that the Government engage in such undertakings as are essential to the meeting of the specific need which started all the trouble.

We must believe that again the people, if they insist on state regulation of the construction industry through a state commission, are turning from a lesser evil to embrace a greater one. Nothing could be more disastrous to the building industry than to place it under state control—and yet that is bound to happen if the private initiative of the industry as now operated fails to meet the public need and fails to keep the industry on a clean, business basis.

### Business Morals as a “Mere Country Judge” Views Them

SOME homely truths about the duty of carrying out a contract even when it involved a heavy loss were voiced by Judge Benjamin F. Bledsoe of the United States District Court in California in a recent decision in which it was sought to invalidate a contract for the sale of sugar on the ground that the contract violated the Sherman law.

Judge Bledsoe, who modestly describes himself as a “mere country judge,” found little in the point of the plaintiff that the contract was a violation of the “anti-trust” law and came quickly to what he considered the real issue that “these people seek to escape from an unwise move on their part.” What he says is worth reading by every man who has sought to escape a contract by can-



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cellation or who has suffered by cancellation on the part of others:

The truth of the whole thing is easily apparent; this case is here because sugar went down, and there was no thought of getting it here until sugar had gone down. . . . The price of sugar having gone down, these people now seek to escape from the consequences of an unwise move on their part, the purchase of more sugar, really, than they needed in their business. . . . Five or five and a half months after the contract was entered into . . . for the first time they came to the conclusion that it was an unlawful contract, an invalid contract, one that shocks the public conscience and is opposed to public policy, one that would result in creating an unreasonable restraint upon trade; and after the sugar has been brought across the wide stretches of the sea, and landed ready for delivery, and the price has gone down, and no opportunity to recoup at all any of the tremendous loss which might have been overcome if an intimation had been conveyed to the defendant three or four months previously, it is now proposed that this loss shall be borne not by the buyer of the article who bought too much but by the seller of the article who was merely trying to provide that which society was demanding of it, and in a way then deemed least inimical to the welfare of society.

Aside from the fundamental disposition which I think should be in the breast of every man who expects to engage and continue in business in the United States of America—the disposition to live up to his contracts once he has entered into them—I think there ought to be the further but equally prevalent disposition to take one's loss, when it comes, like a sport; and whether it be a loss of \$300,000, as here, or a loss of 50 cents—having overpurchased, having overbought, having failed to guess with becoming perspicacity as to the future, if one would contribute something to the well-being of our civilization, he will not seek to avoid such a contract as that, one entailing a loss because of his want of foresight, because, forsooth, on the narrow ground that five months after he entered into it he got advice that it was unlawful. He should bear his loss—bear it like a man—even if the bearing of the loss mean bankruptcy. Unwelcome bankruptcy may be accepted with honor; unwarranted repudiation, however, is a continuing badge of dishonor. To do the honorable thing at all events, even in the face of loss, is a part of the game; it is a part of the burden. And it seems to me that it is the burden that ought to be maintained by the plaintiff in this case.

### Lumber Trade Under Fire by Federal Trade Board

THE FEDERAL Trade Commission has rained a broadside of 104 typewritten pages at the National Lumber Manufacturers' Association and the organizations which compose it. Coming at a time when the Calder bill to put the coal industry completely in the hands of that body is under discussion it has attracted wide attention. By the lumber press it is criticized as one-sided and unfair.

A journal less directly connected with the lumbermen, *The American Contractor*, points out sharply the underlying danger in attacking trade associations:

Everywhere, in conversation and in the press, there is clamor for reduced prices in building materials. It is, perhaps, aside the point that lumber prices have fallen lower than any others. The chief point is that the one quick way to get prices down to rock bottom is through some sort of agreement on the part of material men. But as soon as anything approaching an agreement on prices is brought about, prosecution under the Sherman anti-trust law is threatened, even though the agreement is one to reduce rather than advance prices.

We have gone law crazy, it seems, and have tangled ourselves in legal red-tape so completely that it is impossible for men in the same line of business to take concerted action even for the public welfare. . . .

There isn't a man in the construction industry who can say how far we can go on that line of

action [reducing building material costs] without being charged with criminal activities in restraint of trade, or in suppression of competition or in fixing prices.

The charge of unfairness is made specific by the *American Lumberman*, which says the commission collected all its data "when lumber prices and all other prices were advancing." The *Lumberman* asks "Why was not the investigation extended to cover the period of price decline?" and suggests an answer:

It would be a severe charge to say that the commission's investigation in this instance was patterned after the Bolshevik courts of Russia which decide a case in advance and then refuse to admit evidence favorable to the other side. Yet there is evidence of fall as well as rise in lumber prices, but what place in this report is given to the evidence of falling prices?

The commission did not forget it. It was no oversight. Lumbermen by proper resolutions had asked that the investigation be extended to include the period of falling prices. It was not done. Why not?

Possibly it would not have conformed to the commission's plans to do so. Possibly the commission felt that time was not sufficient. Yet, if time was not adequate for a full and fair investigation, why publish any report? Why give out one that from the very circumstances must be lopsided and incomplete?

The commission may have had its reason for hurry. It may have wanted to make some sort of showing to attract the attention of friendly Congressmen and thereby get its name on the appropriation list and thus secure another lease of life.

*The Southern Lumberman* does not regard the document as at all a convincing indictment of the industry, but it does fear the effect on the public mind and the possibility of its further checking a revival of building. It asks the familiar question: "What are you going to do about it?" and answers:

It is unavailing to point out that the report is a lot of rot or that the yellow press is always on the lookout for a sensation regardless of the facts. The effect on the public of this unwelcome publicity is almost as great as though it was based on indisputable facts. It is idle to blame the commission or the press. Mr. Lumberman, it is up to you to do something in a big way to establish yourself in the public confidence, to let the public know the truth about you and your business. You can no longer afford to assume the attitude of splendid isolation. Your relations with the public are too close for the public to remain in ignorance of the truth. It may cost you money and effort—and a lot of both—but the time has arrived for action. You must, in self-defense, initiate some sort of a campaign of educational publicity; you must do it on a big scale; and you must do it quickly. It will be worth all that it costs.

### Union Labor Resents the Secondary Boycott Ruling

THE most important labor decision since the Danbury Hatters' case" is the description given by a writer in *The Economic World* of the ruling of the United States Supreme Court in the case of the Duplex Printing Press Company against the International Association of Machinists. In brief, the court by a divided bench overruled the lower courts which refused an injunction to the company. The Circuit Court of Appeals held that it was the purpose of the Clayton Act to legalize the secondary boycott "at least in so far as it rests on, or consists of, refusing to work for anyone who deals with the principal offender." The Supreme Court holds otherwise.

"Judicial usurpation" is one phrase used by the *Weekly News Letter* of the American Federation of Labor, which gives this sum-

ming up of the decision from the standpoint of the organized worker:

In 1890 Congress passed the Sherman anti-trust law. The first sentence in the first section declares:

"Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal."

At that time trade unionists asked that labor organizations be exempted, but were told that that was not necessary, as the bill spoke for itself.

But the courts ruled otherwise. They read into the statute a meaning never intended.

In 1914 Congress specifically excluded labor from the act by its declaration "that the labor of a human being is not a commodity or article of commerce."

This was intended as a notification to the courts that Congress sees a difference between property and the labor of a human being.

At its first opportunity (Duplex-Machinists' case) the United States Supreme Court smashes that declaration and notifies the law-making body that labor is a commodity, Congress and the President notwithstanding.

Defenders of the decision say it "puts capital and labor on the same footing." The ignorance (or is it cunning?) of these men is astounding.

Labor is not a commodity because it cannot be separated from the human being. Labor is more than physical strength. It is a combination of this and mind, will, intellect, spirit—everything that makes a normal man.

*Labor*, the organ of the railroad unions, is equally caustic. Here is one extract from an article on the decision:

Six members of the United States Supreme Court, however, have decreed that the Clayton act, containing these provisions, is a "mere scrap of paper" and that Congress did not know its own mind when the labor exemptions from the trust laws were written into the Federal statutes. Six members of the Supreme Court place their interpretation of the law above that of their three associate justices, against the decisions of two lower courts, against the Senate and House in passing the measure, and against the President of the United States who approved and signed the bill containing these provisions.

A warning to labor politicians to seek better guidance is contained in *The New Republic*'s discussion:

The Duplex decision demonstrates anew labor's need for expert assistance. If the American Federation of Labor had been equipped with highly trained counsel, such a shabbily drawn piece of legislation as the Clayton act could not have been put on the statute books—at least not without Mr. Gompers knowing that he was being offered a gold brick. . . . We hope that Mr. Gompers's recent consultations with Mr. Hoover and his engineers are significant of the recognition by the leaders of the A. F. of L. of the necessity for bringing the resources of science in every direction to labor's cause.

One labor leader, however, is quoted as saying:

Direct action accomplished with radical leadership seems to be the only weapon by which labor can gain its rights, now that a reactionary Supreme Court has taken from organized labor its only moderate and sane method of action.

*The Iron Age* is amazed that the *Evening Post*, of New York, should cite this as "evidence of the inevitable human reaction to the decision" and thus takes the editor of the *Post* to task:

In other words, the *Post* comes to the astonishing conclusion that, the secondary boycott having been declared illegal, the natural reaction brings a conclusion that no moderate or sane method remains. The editor ignores the possibility of resorting to a campaign of education or other reasonable methods, and goes on to show how labor unions in England brought about the trades disputes act of 1906, conferring special privileges upon the

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FEBRUARY  
1921

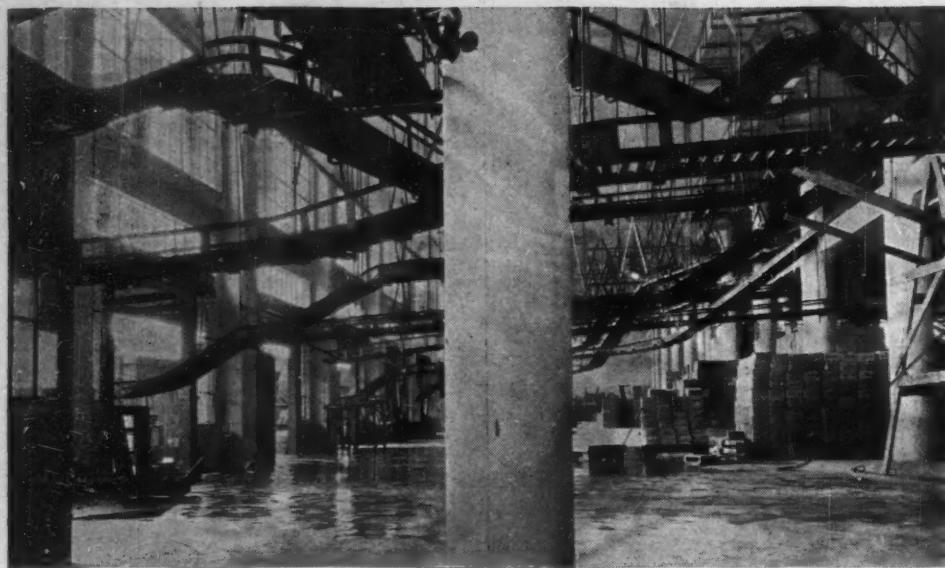
In This Number

The Business Man and the Railroad  
Credit Accounting  
The Sales Budget  
Accounting in Decline  
Business Problems  
Public Relations  
The Ronald Press Company  
50¢ per Copy

**The New  
Ronald  
Monthly  
Magazine**

50¢ per year  
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**The Ronald Press Company**  
20 Vesey Street, New York



## Prepare Now for Bigger Business



Now—while things are a little dull—it is the time to prepare for bigger business.

When business is normal competition will be keener, prices lower and profits smaller. The smaller the profit per sale the greater the necessity for getting your production costs down where you can meet competition. To do this without lowering quality means cutting out all waste.

In the average business more time and money are lost through improper handling methods than any other form of waste. Yet this costly leak is seldom discovered unless it is pointed out.

Every time a product, or any part of it, is picked up, carried and put down the cost is increased. The handling cost keeps mounting all through the plant. It doesn't stop until the loading platform is reached. Whether you employ hand labor, push carts, or industrial trucks, half the time is spent in empty return trips which cost you as much as full loads.

Mathews Conveyers speed up production and cut down handling costs. There are no empty return trips—no trucks to keep in repair. The entire handling force is dispensed with. Gravity—free gravity—does all the work, sets the pace and keeps all hands busy. Your products move along in a steady stream from operation to operation, from floor to floor, or direct to freight cars. Valuable floor space is saved; breakage, accidents and mistakes prevented.

With the Mathews there is no expense for power. A man or two at each end of the conveyer to put the packages on and take them off is usually all that is necessary. All steel construction makes upkeep practically negligible.

Mathews Conveyers are saving money in many different industries. Small installations pay for themselves in a few months; larger ones take proportionately longer. Mathews Conveyers come in portable or permanent units for light or heavy work. Compared with what they save, the cost is trifling.

Now, while your orders are running light, is the ideal time to call in a Mathews engineer and learn from him how gravity and power units can solve your conveying problems and cut the cost of handling from 30% to 70%.

*Write today for catalog.*

**MATHEWS GRAVITY CARRIER CO.**

148 Tenth Street, Ellwood City, Penna.

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trade union. He then declares that what is needed is more legislation to establish clearly the status and rights of trade associations, whether of workers or of employers.

The trouble is that there has been too much legislation, particularly in the way of attempting to grant special favors to labor unions. The amended anti-trust act, as interpreted by six of the nine justices of the Supreme Court, promises to exercise wholesome restraint on labor unions, and if it also prevents illegal actions of employers, no one will have reasonable cause for complaint.

The publications devoted to manufacturing find much comfort in the court's ruling. The *Manufacturers' News* of Chicago sees another argument for the enforced incorporation of labor unions.

Every city in this country has been handicapped for years by so-called secondary strikes and boycotts which, in some instances, especially in construction work, have led to costly strikes. Under the new order of things such labor disturbances will be reduced in number, but not until unions are compelled to incorporate and assume legal responsibility can the evil be eradicated completely. Sentiment to take labor out of the privileged class peculiarly its own is growing stronger every day, and the Supreme Court's decision in the case under discussion will do much toward bringing about a clearer understanding of the difficulties under which American industry has been working in the past.

The same conclusion is reached by the *Michigan Manufacturer*, which says:

The decision means that the labor unions are to be held accountable when they resort to strong-arm methods of this category. The next step must be the incorporation of the unions so that they can be held to their contracts, just as in the case of employers. When that is done, there will be less irresponsible leadership among organized labor.

So much the better is the view of the *Manufacturers' Record* of the statement credited to Samuel Gompers and accusing the Supreme Court of the United States of "joining forces with the anti-union shop movement."

If it be true that the court joins forces with the anti-union movement, or, more truthfully, the open-shop movement, then there would seem to be further justification for the belief that the law in its last analysis is simply the will of the people, for certain it is that the people of these United States are frankly weary of the doctrine that all right thinking is to be found, and only to be found, in the councils of organized labor.

Like Jeshurun of old, labor, during our period of national peril, waxed fat and kicked. The return to normal is inevitable. Special privilege cannot continue to exist under our American polity. The labor unions and their officials who seized upon the opportunity when our nation was at war to mulct industry may as well awaken to that fact, for fact it is.

### Changing Tariff Views

#### Disturb the Textile Men

THE NATION'S BUSINESS has already called attention to the shifting of the tariff lines which has made the Southern farmer an ardent protectionist and has led to a thing undreamed of a few years ago, a Southern Tariff Congress. The *Textile World Journal* gives the Northern manufacturers' point of view and sees danger in the attitude of the international bankers:

The historic position in opposition to high tariff once occupied by the farmers has been usurped by manufacturers of iron and steel, mineral oil products, automobiles; and this group of manufacturers is led and aided in its advocacy of a low tariff, or no tariff, by the so-called international bankers. Of all the classes arrayed against adequate protection to domestic industry the international bankers seem,



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FOR the same reason you select Certificate Bond for your Letterhead you should use it in your other business literature. It is tough and durable—stands the wear and tear. Its rich artistic appearance and crisp solid feeling add to the distinctiveness of your printed matter. The white and twelve rich colors give a great variety of choice in securing artistic color effects.

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The Certificate Process has been made available to employing printers for printing on Certificate Bond. Your printer is almost certainly acquainted with this epochal development, but if he is not, com-

plete instructions are instantly available to him without cost, on application to the Crocker-McElwain Company.

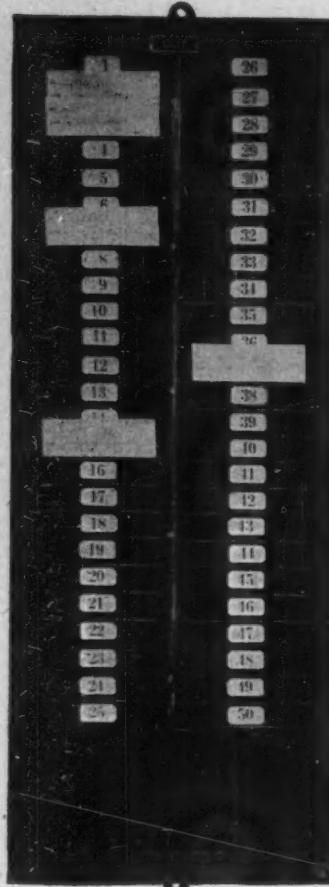
When planning your next folder, broadside, loose-leaf catalog, or booklet, think of Certificate Bond. It costs less in sheet area than the better grades of catalog papers. Altho stronger and more durable, it weighs less and costs less to mail. It folds easily without the danger of tearing.



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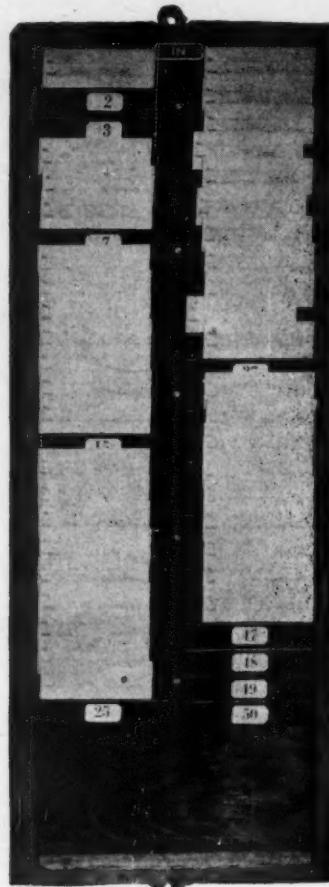
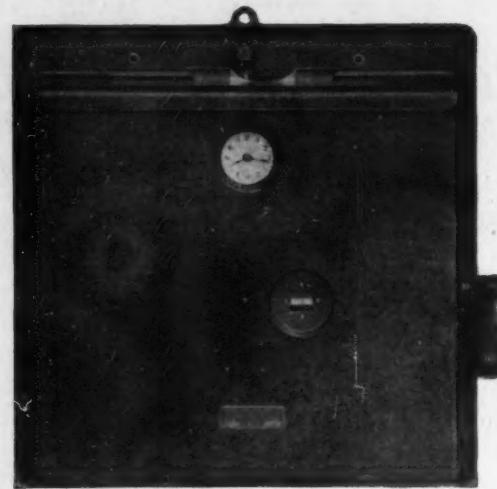
**[ "A Demonstration" shows beautiful halftone effects of commercial and artistic subjects, in black-and-white and four-color process. This portfolio will be sent free on request. ]**

**CROCKER-MCELWAIN COMPANY, Race Street, HOLYOKE, MASS.**



# Who Is Absent?

Who is tardy?  
 How many workers in each department?  
 How much time worked by each?  
 Who is entitled to bonus?  
 How does each employee's total attendance time compare with the total of time reported on his jobs?



## STROMBERG TIME RECORDERS

will give you all of this data, accurately and impartially. They make each employee his own time-keeper. They contain no clockwork, and require no winding, oiling or daily correcting, as they are one of the Stromberg Electric Automatic Time System products.

### SOME TROUBLES ELIMINATED

- No more winding or oiling.
- No more daily correcting.
- No more trouble from dirt or dust.
- No more trouble from vibration.
- No more trouble from severe temperatures or bad atmospheric conditions.
- No more variation of time between recorders and clocks.
- No more repairing of delicate clock works.
- No more expensive maintenance.
- No more disgruntled employees quibbling over discrepancies in time.

### SOME ADVANTAGES GAINED

- Uniform and accurate time.
- Greater durability and life.
- Mechanism simple and powerful.
- Distinguish tardiness of all employees on all shifts.
- Automatically set to proper In and Out spaces.
- Print time on card inserted face forward.
- Reduce clerical work in timekeeping department.
- Insure employees' absolute confidence in their time records.
- Maintenance costs practically negligible.
- Fifteen years of satisfactory service behind equipment.

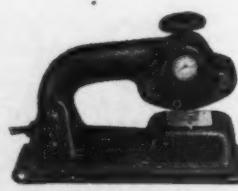
*We are manufacturers of complete time system apparatus, including Master Clocks, Job Time Recorders, Time Stamps, Secondary Clocks, Program Instruments, etc.*

## STROMBERG ELECTRIC COMPANY

(Methods Department) Jackson Boulevard and Wells St., Chicago  
 Canada: Stromberg Time Recorder Co. of Canada, Ltd., 72 Queen St., W., Toronto, Ontario, Canada



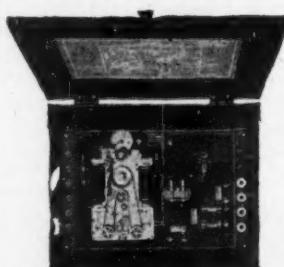
Secondary Clock  
for indicating time.



Time Stamp  
for mail, telegrams, etc.



Job Time Recorder  
for production and cost purposes.



Program Instrument  
for ringing bells or blowing whistles

at the moment, the most determined and dangerous. The opposition of importers and theoretical free-traders was never dangerous, because it was expected; it was the blow that comes from a recognized enemy and could always be parried. The opposition to adequate protection of international bankers is doubly dangerous because their interests and those of domestic manufacturers have always been considered by the general public as identical. . . .

Between the high protectionist farmers, on the one hand, and the low tariff steel manufacturers and bankers, on the other hand, stand a large group of manufacturers and farmers which desires only sufficient tariff protection to offset the difference between production cost in this and foreign countries; it is with the latter class that the great majority of textile manufacturers are allied. The strength of the tariff case of this moderate class is found in its very reasonableness; it does not seek to close the doors to reasonable foreign competition; it does not attempt to exact abnormal profits through tariff exactions; neither does it, on the other hand, selfishly seek to build up a few industries at the expense of the many, nor attempt to make good its foreign ventures by destroying American agriculture and industry.

### Log of Organized Business

**A**T A MEETING not long since of the Board of Directors of the Kansas City Chamber of Commerce, some one asked:

"What about the Twenty-third Street Viaduct?"

"Yes," said someone else, "and what about the plaza of the new Union Station?"

"And what about repaving South Main Street?" interjected a third. "That thing has been hanging fire for months."

And so the meeting resolved itself into a kind of complaint convention about things that ought to have been done and hadn't. Project after project was mentioned which had the backing of the Chamber, but which had hung fire because of obstructions either legal or selfish or due just to plain indolence. The upshot of it was that a slogan was adopted which has already proved to be something more than an empty phrase. It was:

"Get It Done."

From a great number of uncompleted projects and somnolent campaigns, sixteen were selected for immediate attention, one of them a \$5,000,000 proposition, and none small; and sixteen Get-It-Done committees were appointed to take charge of them. In no case was the individual or organization which had been identified with a project in the past supplanted. The Chamber just put its driving energy back of the others. The result was that eighty organizations outside the Chamber were soon enlisted in the movement. City officials, women's clubs and schoolboys got busy. The newspapers took it up with a page-one hurrah. The slogan became a shibboleth. It ran from lip to lip through Kansas City and soon an evangelical Get-it-done spirit permeated the whole town.

Not only were organizations affected, but the spirit spread into business organizations, picked up ragged ends here, there and everywhere, knit up the ravell'd sleeve of business all the way from Grand Avenue to remote side streets, and put a little pep into everybody.

Although the Chamber of Commerce stands in the vanguard of the movement, it is in reality a citizens' campaign. F. C. Sharon, president of the Chamber, two days after the first suggestion was made, appointed a committee to select a list of projects for im-



## On the Basis of Facts

The life of our country is built around its Public Utilities. Our social, industrial and Government activities could not exist today without the continued operation of their indispensable services.

That such services may be extended and developed to be of the greatest use to the greatest number, the Federal Government and practically all the states have appointed Public Service Commissioners as permanent tribunals to regulate public utilities with fairness to all concerned.

Facts as to the past and studies as to the future, the Bell Companies find are essential to the proper management and development of their business. This information is open to study by these Commissioners and through them by the public generally.

The solution of the problem of building up and maintaining the public utilities, which is of the greatest importance to the people of this country, is assured whenever all the facts are known and given their due weight.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY  
AND ASSOCIATED COMPANIES



**One Policy**

**One System      Universal Service**  
*And all directed toward Better Service*



## BUREAU OF CANADIAN INFORMATION

The Canadian Pacific Railway, through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In the Reference Libraries maintained at Chicago, New York and Montreal, are complete data on natural resources, climate, labor, transportation, business openings, etc., in Canada. Additional data are constantly being added.

No charge or obligation attaches to this service. Business organizations are invited to make use of it.

## THE CANADIAN PACIFIC RAILWAY DEPARTMENT OF COLONIZATION AND DEVELOPMENT

Chicago  
165 E. Ontario St.

Montreal, P. Q.  
335 Windsor Station

New York  
1270 Broadway

mediate action, and other organizations were promptly enrolled. The full membership of the Club President's Round Table, embracing thirty civic bodies, formed a nucleus. W. T. Grant, vice-president of the Business Men's Association, who has taken a prominent part for several years in every big Kansas City campaign, was made general chairman of the Get-it-done campaign, and as this is written the movement is gaining fresh momentum with every hour.

Probably other Chambers may find it profitable to take up some such campaign. Every one of them, probably, has important projects on hand which are being delayed from one motive or another, and there is hardly any city which will not profit from a general clean-up and livening-up. Business leaders will be surprised to find how quickly the public responds to the stimulus of an emphatic—

"Get it done!"

### An Open Shop School

THE Southwestern Open Shop Association, representing the cities which are on record for "The American Plan," in Texas, Oklahoma, Louisiana, Arkansas and New Mexico, are conducting an open shop trade school in Dallas, Tex., to teach the building crafts. This is the first of three such schools to be conducted in that district.

There is not only a housing shortage, but a shortage of first-class building mechanics, particularly bricklayers, plasterers, cement finishers, and plumbers. The open shop school in Dallas has enrolled 20 students of bricklaying, and is teaching them, without charge, an occupation almost as old as human endeavor. Here is a trade but little affected by modern industrial methods. It is still dependent on the skilled hand and trained eye of the individual.

It is expected to turn out first-class mechanics in nine months by a system of intensive training. The open shop school has both day and night classes.

### Distribution Department Gets Going

REDUCTION of distribution costs and the working out of improved methods of distribution will be two of the most important aims of the new Department of Domestic Distribution of the National Chamber which has just begun to function.

"More practical and sensible methods by which we as a nation could distribute our products will bring about a reduction of the price of commodities," according to Alvin E. Dodd, manager of the new department, formerly director of the Retail Research Association, of New York.

Mr. Dodd outlined the following important problems which will be taken up by his department:

Analyzing and reporting on activities of Trade Associations at present in the field of Distribution.

Developing contacts and office methods and machinery for giving a service of information to Chamber of Commerce members and to others asking for information and suggestions.

Cooperating with Trade Associations in outlining educational campaigns, disseminating a better knowledge of the problems and economics of distribution to the general public and to those within the field of distribution.

Suggestions to Trade Associations and business bodies toward bettering the ethics and trade practices in the distribution field.

Analysis of and cooperating with schools, colleges, and universities having courses in business administration, etc.

Analyzing the requirements of the distribution

## The First National Bank of Boston

Transacts  
commercial bank-  
ing business of  
every nature

Make it your  
New England Bank

Capital,  
Surplus and Profits

**\$37,500,000**

field for facts and trade statistics which could be reasonably collected and given wide distribution by government agencies.

Analyzing and reporting on the costs of distribution in various trades, both by types of expense and by actual expense.

Developing and coordinating suggestions with regard to taxation as affecting the Distribution field.

Analyzing methods of Distribution followed by all the important industrial groups covered by the division, and contributing data as a definite attempt at clarifying and making more efficient our processes of Distribution.

Developing methods and outlining procedure and principles which should guide the Chamber of Commerce in securing a representative opinion on matters before any part of the Government and relating, directly or indirectly, to business within the field of distribution.

#### Studying Unrest

CAUSES of unrest in this country have been studied by a committee on American ideals of the Chamber of Commerce of the United States since its appointment at the last annual convention. The facts disclosed by the survey reveal the need of education on fundamental American institutions. Similar committees in many communities are at work along the same lines, and it is the desire of president Joseph H. Defrees that every member organization take up the work. The Committee of the National Chamber will place its information at the disposal of other similar bodies, and will cooperate with them by serving as a clearing house for facts and suggestions.

#### Civic Work Progressing

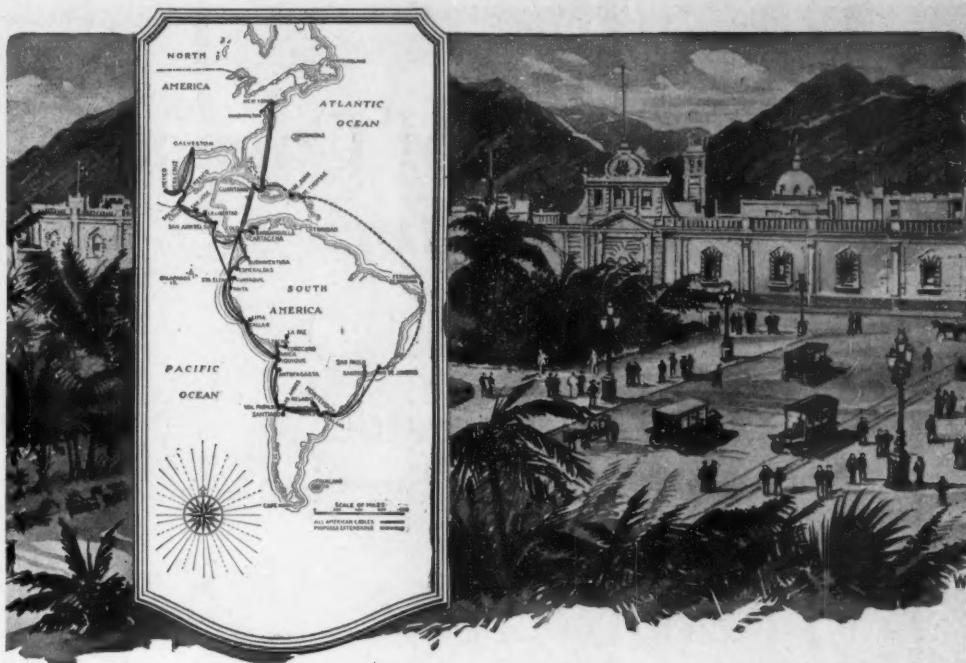
THE Civic Development Department of the National Chamber has made considerable progress in organization since it began to function about the first of the year. The first work of its Housing and City Planning Bureau was to hold a national housing conference in connection with the National Councillors Meeting on January 27 and 28. The story of this conference is told on other pages. Assisting the manager of the department is S. G. Lindholm, who has charge of housing surveys and the compiling of information.

Other work definitely in mind for the department covers immigration and citizenship and education, in preparation for which careful studies are being made. Dorsey Hyde, Jr., the assistant manager, is aiding in these and is in addition Chief of the Bureau of National Civics, to which come questions having to do with federal government activities.

#### Survey of Housing Companies

BELIEF on the part of prospective buyers that the high costs of houses can not be maintained in a falling market is given as one of the main reasons why housing companies have encountered difficulty in trying to dispose of new houses during the past six months, according to information gathered by the Civic Development Department of the National Chamber. This department has just completed a survey of more than two hundred local chambers of commerce interested in stimulating house building for the purpose of finding out their plan of operation, and the difficulties they are meeting with in their effort to build more houses.

The "slack" in employment is another reason attributed by these housing companies, which are sponsored by local chambers of commerce, for the slump in the real estate market. The survey shows that some of these companies are willing to sell imme-



## LIMA, PERU

### Old Before the Pilgrims Sailed

Founded in 1535 by Pizarro, when he was looting the treasures of the ancient Inca civilization, Lima has ever since supplied the world from the rich treasures of the surrounding mines and fertile fields.

The opening of the Panama Canal has cut in quarter the sailing time to this rich country with its immense copper and other mineral deposits, its wonderful cottons and wools, its sugar and rubber. And side by side with the Canal has been the ALL AMERICA CABLES in developing the commerce of Peru, with the United States and most every other country of the Americas.



JOHN L. MERRILL, Pres.  
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ALL AMERICA CABLES link together the principal cities of the Western Hemisphere giving the greatest freedom and ease to the rapid exchange of business and social messages. It is the only direct and only American owned means of cable communication.

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# ALL AMERICA CABLES

# National Bank of Commerce in New York

## Disinterested Investment Service

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The National Bank of Commerce in New York through its Bond Department offers to its friends the benefit of extensive experience and close studies of investment values. It is equipped to handle this class of business for them efficiently in all domestic and foreign financial centers.

Our advice and assistance in the purchase of securities are impartial and disinterested.



**Capital, Surplus and Undivided Profits  
Over Fifty-five Million Dollars**

diately at a sacrifice, others anticipate only a temporary slump, and are holding the houses or renting them awaiting sales.

The survey shows that fifty-seven housing and financing companies started or completed the building of 5,714 houses, and made plans for building 1,000 more. In fifty other cities no housing companies have been created, but in many of them the local chamber of commerce has in various ways encouraged and facilitated private building. The paid-up capital of the forty-eight companies returning figures on the subject amounts to \$11,863,141.50.

### Public Utilities Referendum

A SERIES of recommendations looking to improvement of the situation of the country's street railways has been advanced by the Chamber of Commerce of the United States. These proposals are made by the Chamber, as the result of a referendum vote of the organizations making up the Chamber's membership on the report of a special committee that spent considerable time studying the subject.

The recommendations of the Chamber are as follows:

1. Existing traction facilities should be conserved.
2. The attitude now taken towards street railway problems should be based on the present and future needs of the community.
3. The attitude which is taken towards street railway problems should contemplate private ownership and operation.
4. Regulation should everywhere be instituted that will follow promptly changes in the situation of the companies rendering services of local transportation.
5. Provision should be made against the consequences of unfair competition.
6. All burdens unrelated to the service performed should be removed from street railways.
7. Official responsibility should be definitely fixed for the application of regulation.
8. Each company should seek to have available for the public at all times the facts as to the results of operation and should have resident responsible executives wholly conversant with local requirements.

These members of the Committee signed the report:

Lewis E. Pierson, chairman, board of directors Irving National Bank, New York; Henry G. Bradley, president, Stone & Webster, Boston, Mass.; Arthur A. Brady, president, Union Traction Company, Anderson, Indiana; F. B. DeBerard, director of research, Merchants' Association, New York; E. K. Hall, vice-president, American Telephone & Telegraph Co., New York; Albert W. Harris, president, Harris Trust and Savings Bank, Chicago, Ill.; Charles L. Harrison, president, Sinking Fund Trustees, City of Cincinnati, Bank Building, Cincinnati, Ohio; J. W. Lieb, vice-president, New York Edison Company, New York; H. L. McCune, of the firm of McCune, Caldwell & Downing, Kansas City, Mo.; P. N. Myers, president St. Paul Association of Public and Business Affairs, St. Paul, Minnesota; John W. Van Allen, of the firm of Wilcox and Van Allen, Buffalo, New York.

### "George" Dies of Broken Back

GEORGE was buried at the annual meeting of the St. Paul (Minn.) Association.

George, as everybody knows, is passing the buck in personified form. If anybody in the St. Paul Association wants to pass the buck now, he will be suggesting that a corpse do it—whatever is to be done. For the concluding number of the elaborate entertainment in St. Paul came when a hearse drawn by two forlorn horses passed across the stage of the Auditorium, accompanied by a group of Town Criers, members of the Advertising Club; and they informed the audience that

George had died of a broken back, after years of faithful service.

Now the nineteen organizations comprising the St. Paul Association must do it themselves. George is dead, and has been interred where disinterment is impossible.

#### Labor Comes In

TWENTY-TWO local labor unions belonging to the Central Labor Union of the Tri-Cities in Alabama have decided to take memberships in the Florence, Alabama, Chamber of Commerce. This is a striking illustration of the harmony prevailing between labor and capital in that district. The union workers have announced their intention, after joining the Chamber of Commerce, of uniting with other organizations devoted to civic development.

#### Arbitration Agreements

ARBITRATION agreements for the settlement of commercial disputes have now been effected by the Chamber of Commerce of the United States with the Bolsa De Comercio of Buenos Aires, the Camara de Comercio of Montevideo, the Camara de Comercio y Agricultura of Guayaquil and the Asociacion de Comercio of Panama.

A tentative agreement, amendment of which is now under consideration, has been entered into with the Asociacion Commercial of Rio de Janeiro. Selection of the arbitration committees and lists of official arbitrators under all of these agreements has not yet been effected.

Under the agreement with the Bolsa de Comercio of Buenos Aires, four cases are recorded as having gone to formal arbitration, two in this country and two in Argentina. Two cases are now pending, one of which will be arbitrated in New York, and the other in Buenos Aires. In the former case, the amount involved is approximately \$100,000.

As recourse is had to formal arbitration only where the parties themselves fail to make an adjustment, there is no record of the number of cases that have been satisfactorily settled without coming to the attention of either the National Chamber in the United States or the Bolsa de Comercio.

#### Chinese Visitors

THE National Chamber had the pleasure recently of entertaining a commission from China, representing the Shanghai Silk Cocoon Guild, the Shanghai Tsatlee Silk Guild, and the Shantung Tussah Silk Guild. This commission is touring the United States for the purpose of securing first-hand information concerning the needs of American buyers of silk. The commission held a brief conference with the Board of Directors which was in conference at the time of its visit.

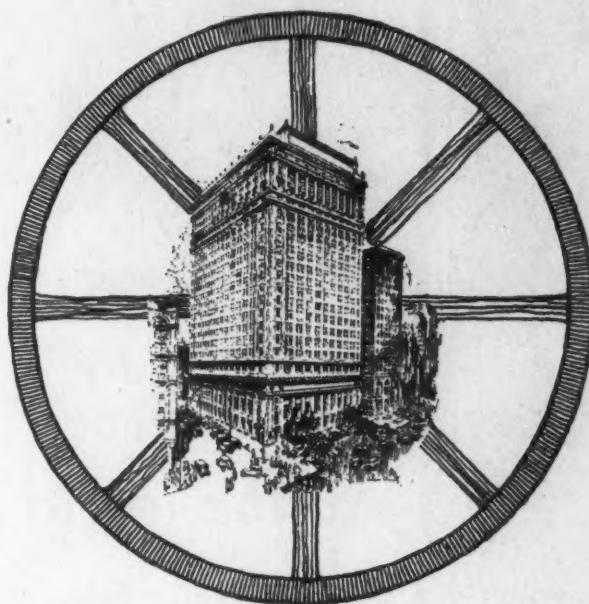
#### Ask Aid for Chinese

AT THE direction of the Board of Directors, an appeal has been sent out by the National Chamber for money to alleviate the suffering in China. This appeal calls attention of the membership of the National Chamber to the calamity that has overtaken forty-five million persons in the north of China, where famine in the early stages of a rapidly spreading disaster is costing the lives of ten thousand inhabitants a day.

#### National Chamber Activities

PRESIDENT Joseph H. Defrees was authorized by the Board of Directors to appoint a committee to study the subject of a national forest policy with a view to the

## BUSINESS REVOLVES AROUND THESE BANKS



Chicago is the center of the country's greatest activity. Various and indispensable are her contributions to the wealth and enterprise of the nation.

As varied as are this city's activities so are the services of

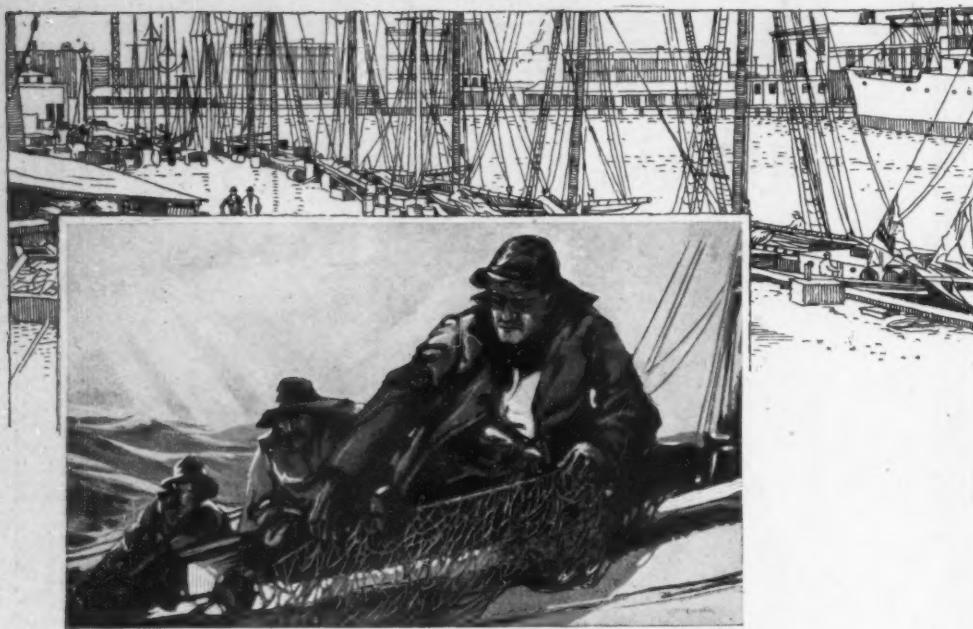
### The Continental and Commercial Banks

We invite you to communicate or consult with us in all matters of commercial and foreign banking, savings, trusts, investment securities, trade information.

***The* CONTINENTAL and  
COMMERCIAL  
BANKS**

CHICAGO

*Invested Capital over 55 Million Dollars*



## New England contributes to the world's table

In Colonial days, when codfish was legal tender for the payment of debt, New England laid the foundation for a sea-food trade even then extending overseas. That trade has expanded steadily. Hundreds of tons of fish and fish preparations are now shipped each week to foreign and domestic markets. Boston is the largest fishing port in the country, with Gloucester pressing for a close second.

New England's contribution to the nation's table also includes shipments of cereals, grain products, fruits and vegetables. This territory raises more field corn to the acre than the Middle Western States. Fine-textured berries, apples, potatoes and onions from the many well-favored localities are in strong demand in nearby and distant cities.

The National Shawmut Bank has been participating actively in the upbuilding of New England food industries for more than 85 years. We are firmly established in the confidence of these industries—well situated to act as an intermediary in any transaction in which we can be of service.



**THE NATIONAL SHAWMUT BANK of BOSTON**

Resources far exceed \$200,000,000

presentation of the question at the next annual meeting.

Other important matters approved by the Board were:

That the ninth annual meeting to be held at Atlantic City, April 27, 28 and 29, consider the proposition that a separate bureau or department of Foreign Commerce be established by the Federal Government.

The appointment of a committee on business ethics to report to the Board of Directors a code of ethics for the conduct of business.

That a committee be appointed on the metric system to make a study of the subject and report to the Board of Directors its recommendation thereon at an early date.

That President Defrees appoint three American delegates to the next annual meeting of the International Chamber of Commerce to be held in London, England, in June, 1921, and such alternates as may be necessary to fill any vacancy which may occur in the American delegation.

That the report of the Committee on Budget and Efficiency of Reclassification and Related Personnel Problem of the Federal Civil Service be submitted to a referendum vote of the membership of the Chamber.

That the Fabricated Production Department of the National Chamber gather all the information possible from employers as to savings plans which they may have in effect for their employees, and the method of investing this money for the employees, and that such information, in as concise form as possible, be submitted to the Chamber's membership at large for its information. The Department was also instructed to investigate group insurance, particularly as it applies to industries, and report to the Board thereon.

### Hamilton and Housing

AT a time when the housing shortage is in the forefront of public thought, it is interesting to learn that during 1920, 222 new homes were built in Hamilton, Ohio, at a cost of \$905,413.

This information comes on a post card from the Hamilton Chamber of Commerce which has recently been reorganized with more than 900 members. The Chamber reports also five miles of new asphalt streets, 14½ miles of new sewers, a \$500,000 bond issue for an electric plant, a \$200,000 bond issue for physical development in the city schools, and a \$390,000 bond issue for a new bridge. These issues were voted during the year. A comprehensive city plan was drawn up. These are outstanding facts from a post card packed with meaty information.

### Mexico-American Scholarships

TWENTY colleges and universities in the United States have offered free tuition or scholarship to Mexican youths. American business men have taken steps to encourage an interchange of scholarships between this country and the neighboring Republic to the south. William A. Peairs, of Des Moines, Iowa, credited by many with being the father of the idea, talked about it recently at a meeting of the Foreign Trade Bureau of the Des Moines Chamber of Commerce. Two firms in that city, his own and the Waterbury Chemical Company, are backing the plan. Mr. Peairs travels about constantly preaching his idea to business men elsewhere.

This is one of the most interesting of the plans presented for stimulating better understanding and better feeling between this country and Mexico.

**A British Chamber Here**

THE British Empire Chamber of Commerce in America was organized recently in New York City. Representatives of 122 British firms with offices in the United States, were present. The purpose of the organization is to encourage closer commercial relationships. Among the speakers were: Sir Algernon Firth, vice-president of the Association of British Chambers of Commerce; Mark Sheldon, Australian high commissioner; Colonel John A. Cooper, director of the Canadian Bureau of Information; Gerald Campbell, British consul general and J. Joyce Broderick, counselor of the British embassy.

**Oil, Not Gold, in this El Dorado**

WHEN a ten-thousand-barrel oil well was recently brought in at El Dorado, Arkansas, the population of the town jumped from five to ten thousand almost overnight. Providing shelter for this big increase in population presented a serious problem to the local authorities.

Fortunately, El Dorado has a new but enterprising chamber of commerce. When the oil boom struck town, this organization came to the rescue of the local officials by opening up a new bureau to take care of the great rush of people who were attracted to the town by the oil boom. The hotels soon became overcrowded, and the Chamber of Commerce had to call upon the owners of private residences to take in roomers. By doubling up in this fashion the El Dorado Chamber managed to provide quarters for the new arrivals at a moderate charge.

**Hebrews Take to Farming**

A LARGE number of Hebrew immigrants now coming into the United States as part of the present great influx of immigrants are being placed on farms rather than in the highly populated cities of the Eastern States. The Hebrew Immigrant Aid and Sheltering Society is the organization directing the movement of placing incoming Hebrews on the farms and in rural sections of the country. Even in some instances work is found for these aliens before they have passed through the Government's barrage and inspection at Ellis Island.

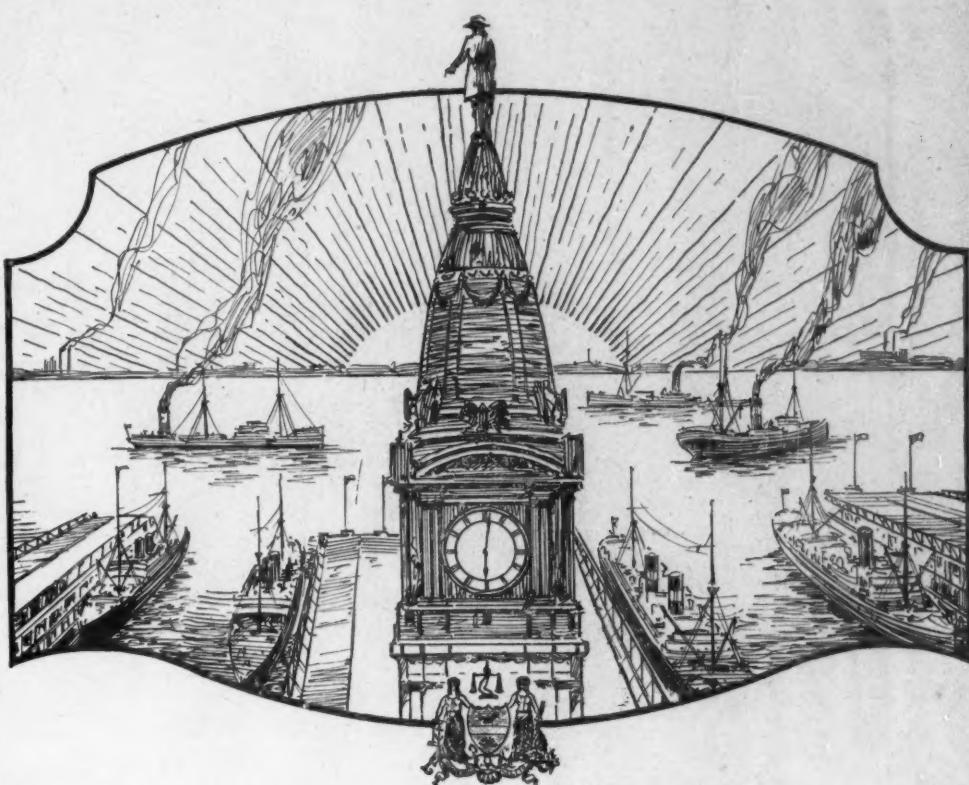
A complete system of tending over and watching these immigrants as they leave the Island and until they reach their destination on the farm has been worked out by the Society, agents being at every transfer point to dispatch further these future citizens of America.

**The "Uncle Joe" Secretary**

FRANK WIGGINS, who is believed to be the dean of commercial secretaries in the United States, has just begun serving his "silver anniversary" year as secretary of the Los Angeles Chamber of Commerce. Although elected secretary twenty-five consecutive times, this does not represent his entire service with that organization. He first became associated with the Los Angeles Chamber in 1890, and consequently this is his thirty-first year of continuous community service.

THROUGH ERROR, our February issue stated incorrectly that the price of the Heavy Duty Autocar, 120-inch wheelbase, is \$2,400. This price should be \$4,350.

The Autocar Company is now manufacturing Heavy Duty chassis in two models—the 120-inch wheelbase, price \$4,350; and the 156-inch wheelbase, price \$4,500.



## ARE YOU REPRESENTED FINANCIALLY IN PHILADELPHIA

If yours is an important, growing business, one which is reaching out for larger markets at home and abroad, it is very likely that you can advantageously maintain a bank connection in Philadelphia—the third city of the United States, a great port, and a manufacturing, commercial, and banking center of the first importance.

When it comes to the choice of a Philadelphia bank for your account you need look no further than the city's largest bank and one of its oldest—

THE  
**PHILADELPHIA  
NATIONAL  
BANK**

PHILADELPHIA, PA.



*You Can Trust*  
**Wells Brothers**  
to handle your building  
construction economically,  
speedily and well.

ASK for record of repeat orders for  
buildings—best proof of owner  
satisfaction and of the service you  
will get.

**Wells Brothers Construction Co.**  
Monadnock Block, Chicago

### A Tariff for Export Protection

The American manufacturer is seeing the tariff in a new light. With his growing interest in foreign trade, he is anxious for a measure that shall be an effective means of getting our products into other lands. Here is a timely article on this new point of view by a careful student of our export problems.

**I**N THE FUTURE the United States tariff should not be simply a domestic question, that is, only for the purpose of keeping imports out of the United States; it should also be used as a weapon or tool for getting more liberal treatment in foreign countries for the export products of the United States.

Last spring a delegation of automobile makers came to Washington and called on Congressman Fordney of the Ways and Means Committee.

The delegation said to him: "We are coming here to recommend on behalf of automobile manufacturers of the United States that the United States tariff on automobiles be reduced."

Mr. Fordney has been regarded as sort of a "high priest" of protection and he looked at them as if they were out of their senses. It was incredible that American manufacturers would come down here and say, "We recommend to your Committee that you reduce the United States customs duties on our product." They explained that they had a reason for making that recommendation. The French had recently changed their duties to a higher tariff on automobiles than had prevailed before the war and in fixing the new duties, which were disadvantageous to our export trade, the French adopted the same rates as in the United States tariff. The automobile manufacturers were afraid that other countries would follow suit and would impose the same high rates of duty on automobiles in other countries as were imposed on automobiles imported here. The automobile manufacturers put the argument this way: "We can go out in the open markets of the world and compete successfully and there is no reason for us to have a customs tariff in our country which will exclude the imports of foreign manufacturers."

It is not only the automobile manufacturers who are urging that same thing. The canners of the United States have been practically barred from our Latin-American markets by high duties. When the tariffs were imposed they meant to those countries tariffs on imports of pâté de foie gras, truffles, maraschino cherries and the like, but the duties apply not only to those fancy articles but to all kinds of canned goods. The result is that our canned goods—plain food products—are ruled out of those countries.

The canners, through their national and state associations, have been waging a campaign to get these duties in the foreign countries reduced. In the tariff hearings they recommended to the Ways and Means Committee that in framing the next tariff of the United States they frame it with a view to using it as a tool to get favorable treatment for exports of American canned goods to foreign countries.

That line of thought has started in many quarters. There are many manufacturers today who do not fear competition in the domestic market and who are much interested in the export possibilities. Some manufacturers attach more importance to the export than to the domestic markets. Recently in



The original VICTOR plant  
and one of the present buildings

## Visualizing the Factory of TOMORROW

**T**HIS period of dullness offers an excellent opportunity to build that new manufacturing plant. The adverse conditions which made building costs excessively high are passing rapidly. Producers of building materials are offering concessions to attract immediate business. Labor is plentiful and more efficient.

**PLAN YOUR BUILDING NOW.** With plans completed, you can take advantage instantly of opportunities to place contracts for materials and construction at reasonable prices. The most favorable prices may be lost unless plans are started immediately.

For forty years we have been designing and supervising enduring industrial plants, planned with features that look beyond the needs of the present day. Factories we designed more than a generation ago are now competing strongly against plants of much later origin. Some of our clients were struggling pioneers when we were first retained; careful planning of the original plant undoubtedly contributed to their later success.

Typical of numerous instances where our service to clients has been continuous for many years is The Victor Talking Machine Co. of Camden, N. J. Over twenty years ago we received our first order from this concern. Every factory building erected since has been of our design and built under our supervision; over forty repeat orders from one client. In these buildings we introduced innovations of design that have been widely adopted elsewhere.

## THE BALLINGER COMPANY

Successor to

### BALLINGER & PERROT

ARCHITECTS ENGINEERS CONSTRUCTORS

PHILADELPHIA  
329 South Broad Street

NEW YORK  
1328 Broadway



MAKERS OF

Complete Air Brake Apparatus for all Classes of Steam and Electric Railway Service.

Friction Draft Gear for Steam Road Service.

Automatic Car-Air, and Car-Air and Electric Couplers for Electric Railways.

Pneumatic and Electro-Pneumatic Train Signal Equipment for Steam and Electric Railway Service.

Steam-Driven, Motor-Driven, Belt-Driven and Gas-Driven Stationary and Portable Air Compressors, Governors and Accessories for Industrial Service.

Air Storage Reservoirs.

Stationary and Portable Test Racks for Air Brake Equipment and Devices.

Air Brake Pipe Fittings.

Leather and Composition Gaskets and Brake Cylinder Packing Cups.

## That "Panting" Sound From the Locomotive

WHENCE does it issue and what does it signify—that strong, rugged, rhythmical "Throb-throb; throb-throb" of the locomotive at rest?

The great Iron Monster is actually "getting its breath."

The sound comes from the Air Compressor which occupies a little niche to itself on the running board and is to the locomotive what lungs are to man. It functions automatically to "breathe in," compress and store a sufficient supply of air to insure efficient operation of the brakes which stop the train.

The powerful Brake Mechanism which "feeds" on the pressure built up by the Compressor is hidden away under the train and consequently escapes the limelight of public observation, yet it is this same unassuming Mechanism that controls the train and makes it possible to operate Railroads under modern conditions of high speed and heavy tonnage.

To hear the throb of the Compressor on the locomotive is to think of Westinghouse Air Brakes and to visualize the impetus they have given to the development of commerce and industry by contributing to the broad growth and expansion of Steam and Electric Railway facilities.

## The Westinghouse Air Brake Co.

General Office and Works, Wilmerding, Pa.

"Fourteen Miles East of Pittsburgh"

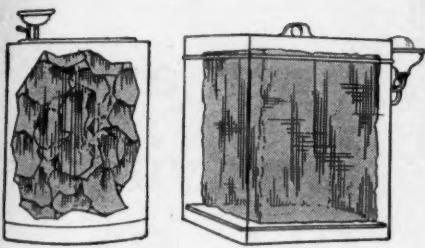
New York  
San Francisco

Washington, D. C.  
Pittsburgh

Chicago  
St. Louis

Branch Factories: St. Louis, Mo.; Milwaukee, Wis.;  
England, France, Italy, Germany, Russia and Australia





## Why the Jewett Water Cooler Saves Ice

THESE two illustrations show graphically why ice lasts longer in Jewett square type water coolers than in an ordinary round type. Breaking ice into small pieces, as is necessary to pack a round cooler, multiplies the surface exposed to the air and makes it melt many times faster than when it is in one complete, solid cake.

With the Jewett you not only save the time required to chop up the ice, but it does not require refilling twice a day. The walls are insulated with pure cork  $1\frac{1}{2}$  inches thick, which further reduce the ice bills at least 25%. With ordinary coolers the ice and labor wasted soon cost more than the cooler itself.

### Jewett Water Coolers are Sold Direct

This is another advantage in buying the Jewett. You are saved the dealer's profit. Any handy man can install it, and since it connects with your regular water supply system, it can be used in winter without ice.

In a few months summer, with its energy-sapping, sweltering heat, will be making inroads on your production.

Now is the time to install a drinking water system to help offset this slump. An investigation will prove that the Jewett is not only the proper cooler for you to purchase, but the most economical.

Write for descriptive folder.



Size No. 1—  
\$58. 50 lbs.  
Capacity.  
Size No. 2—  
\$75. 100 lbs.  
Capacity.

The Jewett Refrigerator Company  
Established in 1849

25 Chandler Street Buffalo, N. Y.

**JEWETT**  
SQUARE WATER COOLER

a meeting of the American Manufacturers' Export Association there was a little experience meeting on the question, "How much of Your Product Goes Abroad?" There were several manufacturers in the room who reported that more than 50 per cent of their products went into foreign trade. There was one—a machinery manufacturer—who reported that seventy-odd per cent of his product went abroad.

When American industry, or any industry, finds itself in that position, where its export market is of so much importance, the home tariff becomes to the manufacturer not a mere issue of protecting his domestic market; he wants to see to it that our tariff is so liberalized that we have something to offer foreign countries to induce them to keep liberal or get liberal in their treatment of our exports.

In France we are discriminated against under the customs tariff. There are comparatively few articles on which we get the same treatment as England, Switzerland, Belgium, and Italy. On some articles we pay double the duties paid by the other countries. The United States Government has protested to the French Government against the situation. Our Government says, "We treat your imports under the United States tariff just the same as the imports from other countries. We discriminate against nobody. The same duties apply to you as to the other man and we are entitled to that same treatment in France." The French Commissioner General of Customs has answered to that: "We are not interested in the fact that you treat our products the same as those of any one else. The thing that we are interested in is that on two-thirds of the characteristic exports from France you impose high customs duties. You keep us out of your markets by that tariff."

Now if we seek liberal treatment abroad—and as I see it, that is one of the things that we all want—we want to see as wide a range of favorable markets abroad for our exports as we can get; we cannot pursue a policy in the United States of entirely excluding from our market the important lines of merchandise from the very countries where we are trying to place our exports.

In the last meeting of the Foreign Commerce Department Committee of the Chamber of Commerce of the United States there was read to the committee a resolution submitted by an important State Chamber of Commerce. The resolution said in effect: "We view with great alarm the increase of imports into the United States." It also said that such imports constituted a menace to the manufacturers of the United States. The exporter's quick reaction on that point is likely to be: "That is not the attitude to take. We do not want to exclude the foreign manufacturers from America; we went to look out to see we do not queer our export trade by the measures we take."

There is another argument and that is that we are now a creditor nation. We have owing to us a floating debt of some three and one half billion dollars and a funded debt much larger than that. The argument runs that if these countries are going to pay us what they owe us, they must have some outlet for their merchandise. I think there is some force to it, but I do not favor the view taken in some quarters that we should sacrifice our market in order to enable those people to catch up through our market. The



### Will Your Coat Room Bear Inspection?

You are justly proud of your office and factory. But is your coat room equally up-to-date? Are the workers' garments hanging on open racks, exposed to dust, contagion and petty thefts—or have you provided each one with an individual steel locker?

**MEDART**  
STEEL LOCKERS

Possess many points of superiority that make them the choice of discriminating buyers. Made of smooth sheet steel with welded joints and richly enameled. Multiple locking device operates with one turn of the key. Adjustable legs. Fire, rust and theft-proof. Easily installed. The reasonable first cost is the only cost.

### Send for Booklet

It illustrates and describes all styles of MEDART Steel Lockers for offices, factories, stores, clubs, schools and gymnasiums. Inform yourself. Get the facts. Clip and mail the coupon below to our nearest office. We also make Steel Shelving, Racks and Bins for storage, stock-room or office. State if interested.

**Fred Medart Mfg. Co.**  
Potomac & DeKalb Sts. St. Louis, Mo.

New York  
52 Vanderbilt Ave.

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Fred Medart Mfg. Co.  
(Address our nearest office)

Please send your free booklet describing Medart Steel Lockers. We employ about people.

Firm Name \_\_\_\_\_

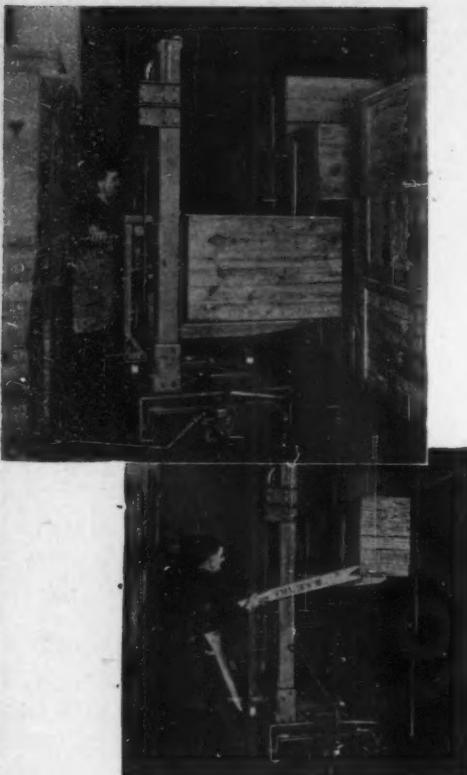
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Attention Mr. \_\_\_\_\_

We are interested in Steel Shelving, Racks, Bins. \_\_\_\_\_ (Please check)

## REVOLVATOR

REG U.S. PAT OFF.



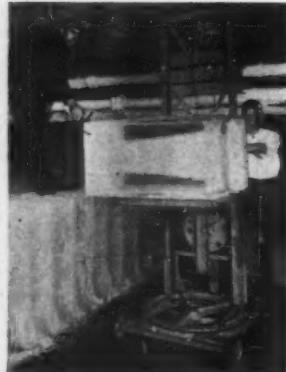
### Simplified Piling

Unused storage space does not appear in Revolvator-equipped warehouses and storerooms. The areas "up above," inaccessible to manual piling, are used.

A REVOLVATOR can be moved from place to place—it is instantly available for service anywhere.

The *revolvable base* (an exclusive feature) permits loading from any side without changing floor base or general position of machine—load can be raised to desired height and swung toward pile.

Styles, heights, and capacities to meet piling requirement in any industry or business, be it barrels, bales, boxes, or other articles. Hand, motor, and combination hand or motor types with revolvable, non-revolvable, and open-end types. We also make barrel racks in various heights and capacities.



May we help you solve a piling problem?

Send for Bulletin No. N-59.

### REVOLVATOR CO.

312 Garfield Ave.

Jersey City, N. J.

big argument, as I see it, is the getting of liberal treatment abroad.

In Europe, Germany was for years the pacemaker in international trade policy. Germany framed her tariff from this point of view: "What does this tariff offer us in the way of trading possibilities to get favorable treatment for our imports into foreign countries?" The German tariff was drawn up, not hastily, but by a commission of experts on which the business men of Germany and the great trade associations were represented. Every single item was scanned from the standpoint of whether it was a good thing for the foreign trade policy and trade possibilities with other countries.

#### How France Does It

**I**N FRANCE they have a two-column tariff, a maximum and minimum. The maximum is that for the country with which they have no commercial treaty. The minimum is the limit of concession. The maximum schedule is of comparatively high rates and corresponds to our general tariff. The minimum offers the limit of concessions which they will allow.

The German system is in the beginning a one-column tariff, and they go to every country in the world and say, "Here is our tariff but we can make concessions." In the German foreign office they may have a minimum tariff schedule but they do not give it out.

Our Tariff Commission has been urging that the United States have a policy of equality of treatment. That is substantially the main line of policy we have followed. If we insist on giving everyone the same treatment here, we can insist that we get equal treatment from the foreigner, and we can have a penalty for use if he does not give it. But there is a great difference between a penalty and a concession. Sometimes you can get more out of a man through concession than through penalty.

The equality of treatment idea also is a passive way and not an active, aggressive way of getting favorable treatment for your goods in foreign countries. The United States Tariff Commission has suggested that when we have a most favored nation treaty with most foreign countries by which it is agreed that the United States shall get as favorable treatment as any other country we are as well off as the other fellow. The weakness, however, of going at your foreign policy that way is that when Germany is negotiating with Japan she is negotiating for the best she can obtain, not on American exports, but on specific, characteristic articles made in Germany. There is likely to be nothing substantial in the actual tariff concessions that Japan gets in Germany or Germany gets in Japan that we are interested in.

There are concessions made in France to England. We have plenty of examples; take our sewing machine manufacturers, who have had the French tariff raised on them two or three times in the last two years. They have to pay possibly twice the duties the English have to pay. They take it up with the French. They say: "It is unfair that you let the British machines in cheaper than ours." Again the French Commissioner says: "Let us see: We bring these machines into France to make Paris gowns, lingerie, etc., that we export. These Paris gowns go to England and go into the English markets free of customs duties. It seems to me when we ship these gowns to the United States we have to pay 75 per cent duty. When you come to us offering the same treatment as the Englishmen give us you may get the same treatment."

## In a Thriving Ohio City

four merchants took up Owl Stamp Service three years ago

TODAY they have doubled the volume of their patronage and are doing \$2,500,000 worth of business a year.

These stores are in Lorain, Ohio, a typical American city of 38,000—where there are mill workers, wide-awake merchants, well-to-do professional men, retired farmers and capitalists—an average Middle West community.

These concerns are: The Metzger & Robinson Co., clothing and shoes; Kline Bros., ladies' wear; The Wickens Co., furniture; The Reichlin-Reidy-Scanlan Co., furniture. It was not because of lack of growth that they contracted for Owl Stamp Service, for they operated the leading and most progressive stores in their community.

They took this service because they wanted to have their store service absolutely complete, so that cash customers, those who pay promptly, might be rewarded for their promptness by getting the advantage of 3 per cent discount.

Now, after but three years, housewives in 9,000 homes in Lorain are saving Owl Stamps, and scores of live, prosperous merchants will attest to the value of Owl Stamps as business getters and trade holders. This company has never had a dissatisfied customer, because Owl Stamps always produce good results.

The Owl Trading Stamp Co. has facilities for establishing its service in any part of the United States. Detailed information will be furnished to any merchant or group of merchants anywhere who may be interested in building up their business.

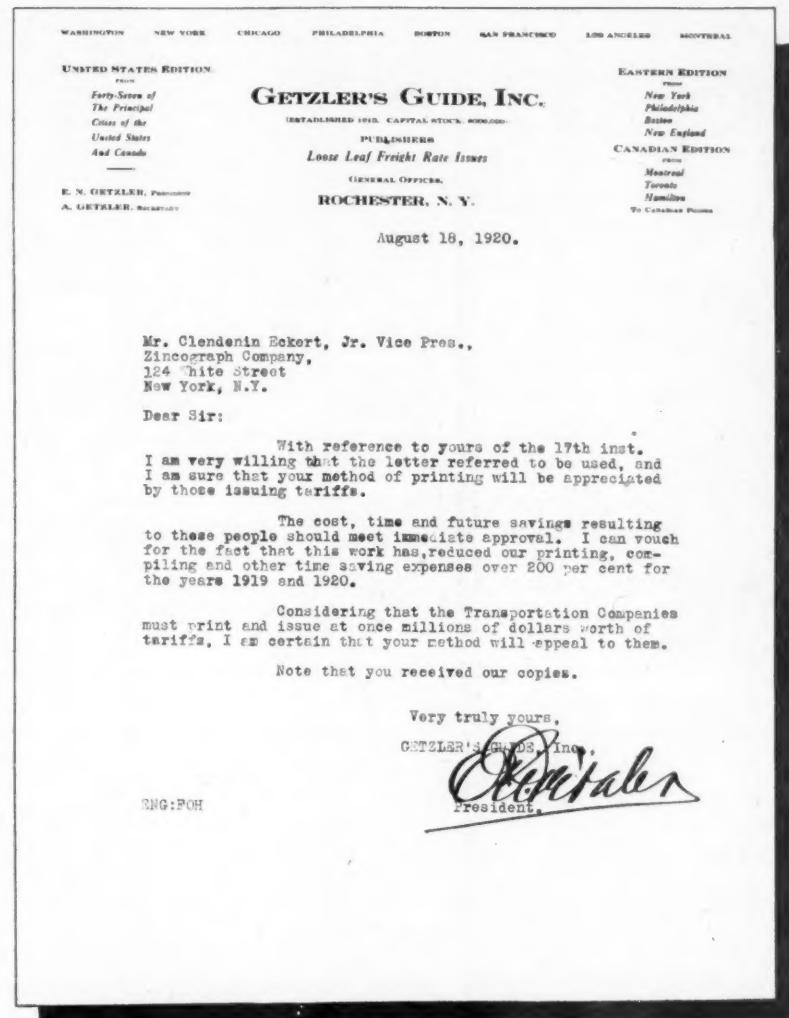
### OWL TRADING STAMP CO.

312 Opera House Building  
LORAIN, OHIO

# Printing—the old way and the new

YOU are just old-fashioned and unprogressive if you cannot see the logic of employing a reproduction and printing process that relegates antiquated printing methods to the junk heap. The Zincograph Company will prove its contention that you are wasting valuable time and a lot of real money in sticking to what you think is the only way.

If we could show you that type-setting, proof-reading, make-ready and a lot of etc. could be eliminated at a tremendous saving of time and expense it would mean something. Yes? It would mean more if you had been the recipient of a letter such as we were under date of August 18, 1920, from E. N. Getzler, President of Getzler's Guide, Inc., of Rochester, New York, which we print herewith.



Mr. Getzler has been able to purchase from  
us at \$300 what formerly cost him \$900.

## Zincograph Company

124 White Street, New York

Franklin 6017-6018

CERTAINLY you cannot know the advantages nor the existence of the ZINCOGRAPH PROCESS of reproduction and printing else you would have favored us with an inquiry.

We have been able to substantiate the claims that we have made for our process to many of the larger Railway systems, Express companies, Publishing houses, and Engineering concerns, etc., and if they are satisfied with the results, the time and the money saved, surely we can demonstrate the same to you.

Years have been spent by us in the study and perfection of a photographic means of reproducing books of any and all description, and today, as a reward for our efforts, we boast of numerous prominent customers who once knew nothing of the ZINCOGRAPH PROCESS, but who today employ it, confident, yes, certain, of the results. We take their book or books, photographically reproduce them page for page, enlarge or reduce, as the case may be, use the kind of paper designated, and print one hundred or one thousand volumes from high-speed, offset presses, giving them finished work that equals and in most cases excels the original.

No type-setting, no proof-reading, no make-ready.

Our organization consists of expert chemists, skilled workmen coupled with modern time-saving devices which means SERVICE.



## A Good Farm Is a Factory That Never Shuts Down

Men who know the farm market are not fooling themselves with the idea that the American farmer is broke.

For one thing, even after the big shrinkage in prices, the value of 1920 crops and live stock was just about double the value of the crops and live stock in 1914. This is the estimate of the United States Department of Agriculture.

But 1920 crop values tell only half the story. Remember the cost of living since 1916—and remember what this has meant in terms of farm prosperity for five years.

Furthermore, don't let yourself believe that farmers have no more business sense than to think they can make money by keeping their plants idle.

Good farms are *busy* the year 'round—and there is every indication that they will be normally busy in 1921.

Farming is a "going concern"—and a farm neighborhood or a factory town, or any other kind of community that is producing marketable commodities day in and day out, is a mighty good market for any kind of merchandise.

## FARM AND HOME

reaches over 650,000 good farms—and it is one of the few farm papers that have consistently told their readers that they need efficiency rather than protection—self-service rather than paternalism.

The best evidence of the high standing of *Farm and Home* with its readers—and consequently as an advertising medium—is the fact that it has the largest percentage of renewals of any national farm paper.

Moreover, the whole 100% of its subscribers take *Farm and Home* because they *want it*—without the inducement of free premiums, cut-rate offers, canvassers or circulation contests.

And the *advertising rate is the lowest* per thousand circulation of any paper in its field.

Ask to be put on the mailing list for "Inside Stuff."

## FARM AND HOME

The National Magazine of Rural Life

PHELPS PUBLISHING CO. Publishers  
DAVID R. OSBORNE, Advertising Manager

SPRINGFIELD, MASS.

30 North Michigan Avenue, Chicago  
461 Fourth Avenue, New York  
Oneida Building, Minneapolis, Minn.



### Result of Tax Referendum

REPEAL of the excess-profits tax is demanded almost unanimously by business in a referendum vote taken by the Chamber of Commerce of the United States on proposals for changing the present method of Federal levies. The ballot makes it clear that business men are united in their view that this levy hampers business operations, retards the progress of readjustment and should go at the earliest possible moment.

As to what substitute should be adopted for raising revenues, the vote was not conclusive. In the referendum increased income taxes and also a proposition for some kind of a sales tax were proposed, but both these suggestions were voted down by considerable majorities. The sales tax was put forward both as a substitute for and in addition to other forms of taxation.

A recommendation that excise taxes be levied, partly as a means of making up revenue which would be lost by discontinuance of the excess profits tax, carried, however.

The propositions prepared by the Chamber's committee on taxation and submitted to the membership of the organization, with the vote on each, follows:

1. The excess-profits tax should be repealed—for, 1,718; against, 44. Carried.
2. Revenues now derived from the excess-profits tax should be obtained mainly from taxes on incomes—for, 571; against, 1,004. Not carried.
3. There should be excise taxes upon some articles of wide use but not of first necessity—for, 1,217; against, 504. Carried.
4. Should a sales tax be levied instead of the taxes mentioned in propositions 2 and 3?—for, 704; against, 855. Not carried.
5. Should a sales tax be levied in addition to such taxes as are mentioned in propositions 2 and 3?—for, 763; against, 894. Not carried.
6. Members voting in favor of question 4 or question 5 are requested to indicate the type of sales tax they advocate: (a) A general turnover tax—for, 511; (b) A limited turnover tax—for, 180; (c) A retail sales tax—for, 541.
7. There should be a moderate and graduate undistributed earnings tax on corporations—for, 640; against, 1,063. Not carried.
8. Each individual stockholder of a corporation should pay his own normal tax—for, 693; against, 975. Not carried.
9. Income from any new issues of securities which may lawfully be made subject to Federal tax should be taxable—for, 1,386; against, 275. Carried.
10. American citizens resident abroad should be exempt from the American tax upon incomes derived abroad and not remitted to the United States—for, 1,252; against, 456. Carried.
11. Profits arising from sales of capital assets should be allocated over the period in which earned and taxed at the rates for the several years in the period—for, 1,411; against, 243. Carried.
12. An exchange of property of a like or similar nature should be considered merely as a replacement—for, 1,547; against, 142. Carried.
13. Net losses and inventory losses in any taxable year should cause redetermination of taxes on income of the preceding year—for, 1,350; against, 323. Carried.
14. Ascertainment by the Government of any tax based on income should precede payment—for, 1,215; against, 479. Carried.
15. Administration of income taxation should be decentralized—for, 1,321; against, 390. Carried.

A striking reaction was shown in the vote against increasing income taxes. It was obvious to the voters that such increases would fall on the middle class of incomes, since little more can be derived from smaller incomes and because taxes already are so high on the larger incomes that those receiving large incomes are investing in tax-free securities and thus defeating the purpose of the tax.



*—like the rail around the whirling flywheel—*

## Square D Safety Switches Guard Life and Property

You wouldn't let your loved ones risk their lives in a power house with unguarded flywheels—

How can you let them go on living day after day under the same roof with the dangerous open knife switch? How can you leave your workmen exposed to shock and burns—and your plant to fire—when it is so easy and so inexpensive to absolutely remove the danger—when it is so easy and inexpensive to install Square D Safety Switches?

### *Outlawed—The Open Knife Switch*

The open knife switch turns safe electricity into a living, lurking threat. Outlawed by the National Board of Fire Underwriters, denounced by fire marshals, condemned by safety experts, and black-listed by architects and contractors, the open knife switch must go from home and factory! And in its place must come the Square D Safety Switch!

### **Danger!**



### *Important New Ruling of National Board of Fire Underwriters—Effective January 1st, 1921*

"The service switch must be enclosed and preferably of a type that may be operated without exposing the live parts to accidental contact. Service switches must indicate plainly whether they are open or closed."

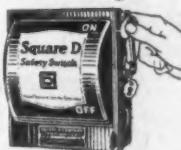
Square D Company, Detroit, U. S. A.

Canadian Branch:

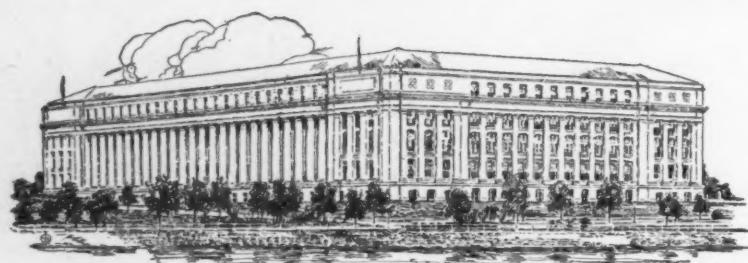
Walkerville, Ontario

(2)

### **Safety!**



# Square D Safety Switch Makes Electricity Safe for Everyone



Bureau of Printing and Engraving  
Washington, D. C.

## THE NATION'S BUILDING STONE

ONE cannot fail to be impressed with the great number of buildings that are constructed of Indiana Limestone in every section of the United States. So familiar have become the mammoth office and public buildings, the banks, courthouses, postoffices, schools, churches, memorials and residences that one is impelled to the conclusion that Indiana Limestone is indeed the Nation's Building Stone. And it is.

In fact, if one examines the noblest and most beautiful buildings erected and being erected throughout the country, it will at once be apparent that the greatest percentage of them are constructed wholly or in large part of Indiana Limestone.

The United States Government has been quick to utilize the wonderful qualities of Indiana Limestone, for after the fullest investigation and the severest tests of the merits of this great American stone, many post offices, the United States Treasury Annex, the Bureau of Printing and Engraving, the Department of the Interior, Washington, D. C., and many other Federal buildings have been and are now being constructed of it.

The adoption of Indiana Limestone as the nation's building stone is owing to its wonderful durability, its texture and warmth of tone, its fire resistance and the ease and economy with which it can be carved into desired architectural forms.

*Booklet on Indiana Limestone  
will be mailed on request.*



INDIANA LIMESTONE QUARRYMEN'S ASSOCIATION  
Box 775 Bedford, Indiana

METROPOLITAN SERVICE BUREAU, 489 FIFTH AVENUE, NEW YORK CITY

## Through the Editor's Spectacles

A CHICAGO editor, commenting on a statement by Archer Wall Douglas, in the last number, remarked sagely:

"Business is sound, all right, but sound is not business!"

BUSINESS MEN," said a distinguished visitor the other day, "are too ready to let the other fellow's business be regulated and controlled by government commissions. They sputter a bit when they hear of a proposal that this or that industry should be operated by a Washington bureau, declare 'something ought to be done' and let it go at that. They don't seem to realize that federal encroachment in any industry brings their own business just that much nearer to the same danger. Their fight is now, rather than when they are forced to fight in the rôle of special pleaders."

"All business surely can stand on this plank: Government operation and control of any industry is repugnant to the principles of this Government, is subversive of that initiative, responsibility, freedom and individuality which has made this country great. Then when this principle is attacked, whether in the field of tanners or canners, hatters or knitters, all should unite in righteous opposition."

THE typographical bull is a form of humor a little bit lower than the pun, but there is a wheeze (for us at least) in this one from Secretary Daniels' *Raleigh News and Observer*:

### GOLDSBORO PLANS TO STOP ROBBERIES

Merchants Employ Special Officer to Watch  
Their Places of Business

Goldsboro, January 15—Goldsboro business men are looking forward with keen interest to the visit in this city on Tuesday evening, of Colvin B. Brown, head of the Organization Service Bureau of the Chamber of Commerce of the United States, etc.

Printers have been hanged, drawn, and quartered—or promoted—for less than this.

TWELVE leading artists have been invited by the Clark Equipment Co. to dramatize "The Spirit of Transportation," each in his own manner. Judge Gary, W. C. Durant, Homer L. Ferguson, F. D. Underwood, President de Forest of the Metropolitan Museum of Art, New York City, and President Hutchinson of the Art Institute of Chicago, are to determine which painter, in their estimation, has been most successful.

To those business men who would enjoy a spiritual and industrial uplift we commend a half hour of sheer enjoyment which fell to our lot in Chicago the other day at the Art Institute where the twelve paintings are on exhibition. From Max Bohm's "Indian Family with Horse and Dog Travois"—probably the earliest method of American transportation—with the gesture of the savage as he hails a modern motor truck, to Maxfield Parrish and his "Royal Gorge of the Colorado," symbolizing a majestic physical barrier to progress and on one side above



## Why Cities Go Bankrupt

Cities derive their revenues from taxes.

Taxes are levied upon property values.

When property values depreciate cities become poor.

Property depreciation is one outstanding reason why many cities are today in desperate financial straits.

This fact was strikingly revealed in the recent disclosure of a famous appraiser (name on request) who appraised a city of 100,000. He states:

"Frame property in that city costing new a million dollars had a sound value at the end of 15 years of but \$700,000—a *direct loss to property owners and to the city* of \$300,000. Had the same million dollars been invested in brick construction its sound value would have been \$900,000.

"In the best neighborhoods the average depreciation of painted houses of an average age of 15 years was 30 per cent as against less than 5 per cent on fire-safe homes of an average age of 9 years.

"In the middle class section the depreciation on fast-deteriorating property was 2½ times greater than on brick buildings."

Think of it! For every million dollars invested in inflammable, fast-deteriorating construction in *your own city*, \$300,000 must be charged off for depreciation every 15 years. Furthermore, the taxable value of the property will be approximately *cut in half*.

The average Brick home is habitable for a century. Its extremely slow depreciation maintains a city's revenue for a long term of years. There is practically no upkeep—no fire hazard. Insurance is low. The cheapest and safest material nature gives to man, Brick is incomparably the best material for individual and community homes.

Housing bodies will be interested in facts which we will be glad to present regarding community construction and comparative costs.

THE COMMON BRICK INDUSTRY OF AMERICA  
1310 SCHOFIELD BUILDING  
CLEVELAND, OHIO

# BRICK—for Economy

# We can't make you build your factory now, but we can tell you why it's good business



## Ferguson Standard Factories Mean

Fastest erection because of standardized methods and because prefabricated steel and other material is shipped from stock.

Highest standards of engineering.

Maximum fresh air and daylight.

Unit responsibility—guaranteed delivery.

Biggest value per dollar invested.

Lowest material costs because of bulk purchases.

HERE is three years' shortage in home building which must be met. 1,500,000 homes require 1,500,000 stoves, 1,500,000 furnaces, rugs by the trainload, plumbing fixtures by the warehouse, wall paper by the mile, and, in equal proportion, tables, beds, chinaware and all the thousand-and-one items which a home requires. Every industry will feel the benefit.

The present factory floor-space of the U. S. can't take care of this demand when it opens. Today's low labor and material costs are already starting the movement. Factory costs will stiffen as home-building increases.

The factory which waits will find itself short of space at the peak of the demand—its new buildings will not be finished until the bulk of the demand is satisfied. The wise manufacturer *builds in the slump to be ready for the boom*.

Build now for least cost—build now for greatest profits.

You don't even need to fear a further drop in prices. Under the Ferguson Fixed-Fee-Limited-Cost Contract, your maximum cost is fixed but you get the lion's share of all savings brought about by further drops in prices.

*Write for our book, "Better Buildings for Bigger Business," which describes Ferguson methods and Standard Types in detail.*

## THE H. K. FERGUSON COMPANY

### ENGINEERS AND BUILDERS

6523 Euclid Avenue, CLEVELAND Phone, Rosedale 6854

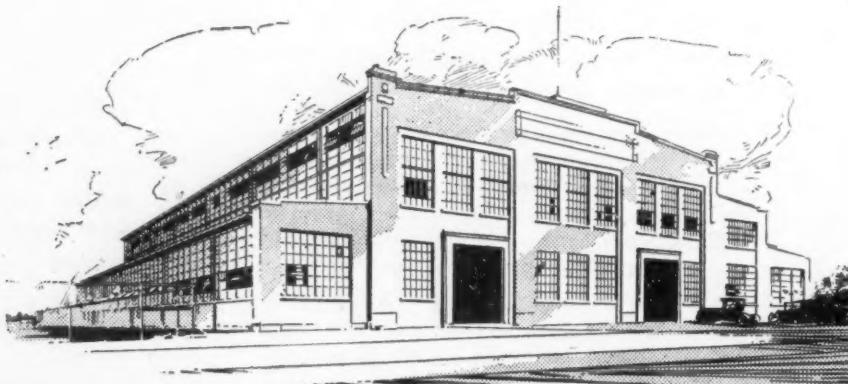
NEW YORK  
31 West 43rd Street  
Phone, Murray Hill 3073

CHICAGO  
336 Rookery Building  
Phone, Harrison 1785

CINCINNATI  
318 First National Bank Bldg.  
Phone, Main 2739

ATLANTA  
815 Austell Building  
Phone, Ivy 3813

BRANTFORD, ONT.  
Temple Building  
Phone, Brantford 3000



# Ferguson

STANDARD AND SPECIAL FACTORIES

the rushing mountain stream, chiseled in the cliff a tiny road along which passes a train of motor trucks, one is struck with what transportation has contributed to the march of civilization.

Other paintings in the Exhibition are by Franklin Booth, George Elmer Browne, James Cady Ewell, R. F. Heinrich, Frank X. Leyendecker, Jonas Lie, F. Luis Mora, Alphonse Mucha, Coles Phillips and William Mark Young.

These paintings in colors will be reproduced later in the pages of THE NATION'S BUSINESS.

**PRESIDENT ANDREW J. FRAME**, of the Waukesha (Wis.) National Bank, sends us an interesting document in the report of the Board of Conciliation of Wisconsin to the Governor. Labor's worst enemy, in the opinion of the Board, is the agitator. And the board, in settling seven major industrial disputes at an expense to the State of less than \$1,000, finds justification for "deep appreciation of the conciliatory spirit evinced by capital and labor to deal justly one with another."

**DEAN A. A. POTTER**, of Purdue University, calls our attention to the fact that we were mistaken in a statement, which we credited to *The Railway Age*, that there were only two test plants for locomotives in the country. A third, and in this case the first of its kind, was installed at Purdue University twenty-five years ago. It was here that many important researches have been carried out resulting in discoveries and developments of great value to railway engineering practice.

**I**T WAS with extreme pleasure," writes E. G. Weis, of Boston, "that I turned to the pages of your February number containing Joseph Pennell's bridges. My first thought upon seeing them was to have them framed. . . . The person who conceived the idea of incorporating those etchings deserves the highest commendation and I am sure there are others who think the same as I do."

Mr. Weis pointed out that printed on both sides the etchings were unsuitable for framing. We shall be glad to send a full set of the ten etchings printed on one side only, suitable for framing, on receipt of \$1.00. This will answer many similar requests that have been received.

**PRESIDENT ELIOT'S** story, "Protection Against Ignorance," in the February number, has brought a great deal of comment. Some local commercial organizations are asking for reprints to send to their educational boards. The Commissioner of Education of Rhode Island has this to say:

President Eliot has made two general accusations against the public schools; first, that Americans "cannot see or hear straight, or that those who can, acquired the capacity outside of school," without furnishing any proof whatsoever to establish the truth of his generalizations. . . . In his demonstration of "how it can be done," President Eliot mentions nothing that is not thoroughly familiar to educators. So much of his program as is truly worth while may readily be carried out if ample provision of resources is contributed by those who have control of public budgets. That teachers have not been trained for the type of school President Eliot suggests is due to the fact that our teacher-training institutions have loyally undertaken the work of training teachers for the type of school the public has provided.

Dr. Payson Smith, Commissioner of Education of Massachusetts, points out that the adoption of Dr. Eliot's program would be



Drawing after house at Cleveland, Ohio. Harry T. Jeffrey, Archited

### An Investment in Happiness

## —The Satisfaction of Home Ownership

THE HOME feeling is an asset of the highest value, for it pays richly in a sense of self-respect, of more responsible citizenship, of moral poise as a member of the community, besides giving profound personal satisfaction and enriching the spiritual values that arise out of family ties and affections.

Taking all in all, you can make no other investment that is so rich in returns, both sentimental and practical, as in having your own home. And when you build, we believe we can give you ample reasons why a Face Brick house will give you, from every point of view—structural, artistic, economic, and we might add sentimental—more real satisfaction than any other kind. The matter is fully discussed in "The Story of Brick."

### "THE STORY OF BRICK"

An artistic booklet with attractive illustrations and useful information for all who intend to build. The Romance of Brick, Extravagance of Cheapness, Comparative Costs, How to Finance the Building of a Home, are a few of the subjects treated. Your copy is awaiting your request. Send today.

### "THE HOME OF BEAUTY"

A book of fifty designs of attractive small Face Brick houses, selected from four hundred drawings entered in a national architectural competition. The houses represent a wide variety of architectural styles, with skillful handling of interior arrangements. Sent on receipt of fifty cents in stamps.

*Do you want to compete for the Face Brick and the full working drawings for one of these Home of Beauty houses? Competition open to young married women. Send for particulars. "The Home of Beauty" will be sent free to competitors.*

## AMERICAN FACE BRICK ASSOCIATION

1150 Westminster Building · Chicago



# DURAND STEEL RACKS



**DURAND** Steel Racks and Shelving can be carried on your books as an asset of equipment; whereas wooden bins have no permanent value, and must be written off when the owner moves.

Durand Steel Racks and shelving will last indefinitely, will save 20 to 40% of the space occupied by wooden bins, will carry four times the load, and can be rearranged, taken down, moved, and put up again with no expense but the time of your own employees.

## DURAND STEEL LOCKER CO.

1511 Ft. Dearborn Bank Bldg.  
Chicago

511 Park Row Bldg.  
New York

much more expensive even than our present system, but he adds:

This question of cost should not be regarded as a final objection. I raise the question because it is one which the public must frankly and fearlessly face if public education in this country is to perform efficiently its function in the development of the political, industrial, and social welfare of the people.

President F. W. Gunsaulus, of Armour Institute of Technology, Chicago, takes time out to write his appreciation of Dr. Eliot's article: "Our Dean Monin has just come in, and we have felt together like saying to you that your work, its aims and methods are very deserving of our gratitude."

Stamford, Conn., through Frederick S. Camp, Superintendent of Schools, wishes to be recorded "as being in principle, and considerably in practice, in full accord with Dr. Eliot's ideals."

President Carroll, of the University of South Carolina, doubts if the high percentage of illiteracy in the Southern States is due to scanty appropriations of public money for negro schools, and goes on to say that with the Southern States,

The root of the difficulty is inequitable and inadequate methods of taxation. Our whole taxation system needs thorough revision. With adequate revenues, legislatures would be able to make adequate appropriations, which are necessary to secure first-class teachers. Dr. Eliot's program is entirely dependent upon the character and preparation of the teachers who administer its details.

**EDITORIAL COMMENT**, in the February number, accompanying Col. W. E. Haskell's article about the Canadian pulpwood situation, stated that timber on Canadian Crown lands belongs to the owner of the surface of the lands. This was in error; such timber is licensed and the licensee does not own the land on which it stands.

**CLINTON BLAIR BONNELL**, of Mt. Vernon, New York, writes:

Isn't it known in this world, and especially in America, that it is wrong to slaughter or slay the Creator's chattels for eating purposes or otherwise? chattels such as cows, horses, chickens, pigs, lambs, fowl of all sorts? The American people and the world are taught the Bible, and the Ten Commandments, the Constitution of this American United States does not state it is right to kill. Why don't you take the matter up with the American people and stop such nonsense?

Respectfully and joyously referred to those on Capitol Hill who are making life miserable for the packers. At that, it might not be so bad as government operation of an industry by commission.

**FRANCIS P. GARVAN**, president of the Chemical Foundation, thanks us for the intelligent treatment of the subject of chemical development THE NATION'S BUSINESS has given its readers, and adds:

We are seeking to inform the people of this country of the dependence of all of them upon preserving their chemical freedom, wrested from Germany during the war, and to interest them in wider educational effort that alone can furnish our country with trained chemists to hold and push forward this essential science. As we realize that chemical research aims constantly to improve and cheapen every process in every business—just as it is striving now to solve your newsprint and ink problems—this science seems too essential to our prosperity to be grasped again by foreign monopoly. The same science that forever fights the high cost of living in factory and farm also guards the sanitation of our homes, as well as affects everything we eat and wear. Of course you know that every laboratory and dye works can be turned, overnight, into a powerful production plant for war gases and explosives.

By far the most inspiring object that American chemists can attain, to my mind, is the actual saving,

## Just A Summary

During the past ten months we have featured in these columns a few concerns using the **Sperry** Service of cooperative discount. Below we quote excerpts from letters received by us from six of these establishments.

We gave our side of their story, and now they'll give their side of our story.

### Drennen Company

Birmingham, Ala.

*"Your proposition will increase cash sales and materially aid in making prompt collections."*

### The Boston Store

Milwaukee, Wis.

*"We have used trading stamps for over 15 years. D.H. stamps are a household word in Milwaukee."*

### Olds, Wortman & King

Portland, Ore.

*"We have used D.H. stamps for seven years. Our wealthiest customers are most enthusiastic stamp savers."*

### The Palace Dept. Store

Spokane, Wash.

*"The D.H. Co. has played a substantial part in the success of our business."*

### Rothschild & Company

Chicago, Ill.

*"D.H. Green Stamps are business builders. We have been giving them with success for the past 15 years."*

### Adam, Meldrum & Anderson Co.

Buffalo, N. Y.

*"The general public has evidenced a greater interest in your stamps than in our own which we formerly issued."*

### THE SPERRY & HUTCHINSON CO.

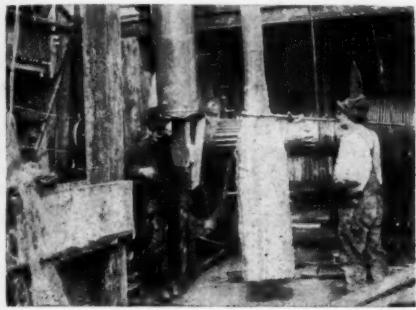
114 Fifth Avenue

New York

# ALL OVER the WORLD

**the quest for Petroleum  
goes on constantly and  
"Oilwell" Machinery is  
conducting this search.**

Test Well for Oil in England



Reproduced by permission of S. Pearson & Son  
Copyright

When the British Government decided to make an official test for Petroleum in England, "Oilwell" Experience was called upon to furnish the drilling equipment.

**We are Specialists in  
Oil and Gas Well  
Supplies**

and our experience in manufacturing supplies for the oil country dates back to the drilling of the First Oil Well in America in 1859.



Any Size  
Any Depth  
Anywhere

**Oil Well Supply Co.**

Main Offices:

**PITTSBURGH, U. S. A.**

New York Los Angeles San Francisco  
Tampico London

prolonging and strengthening of human life, which has just been opened as a possibility through the lending of the chemist's art to the joint research of biologists, pharmacologists and bacteriologists. If America should maintain her chemical independence for no other result than aiding in stamping out disease and deadly epidemics in this field, I believe that our most determined efforts to this end would be well worth while.

A READER who noted in this column recently the result of a questionnaire to business men as to periodicals they read, and in which THE NATION'S BUSINESS ranked ninth in a list of thirty magazines, writes: "You may be interested to know that at the instance of \_\_\_\_\_ Company, a national advertising agency sent out a letter to prominent railroad executives asking them to indicate the magazines which they read regularly. A summary of the 137 replies places THE NATION'S BUSINESS fifth on the list. It speaks well, don't you think, for the interest business men are taking in pure economics and its application to present-day affairs."

We do! Here is the list of eighteen magazines with their respective positions:

Literary Digest.....	98
Saturday Evening Post.....	93
National Geographic.....	85
American.....	56
THE NATION'S BUSINESS.....	47
World's Work.....	43
System.....	37
Colliers.....	35
Outlook.....	32
Atlantic Monthly.....	30
Review of Reviews.....	30
Cosmopolitan.....	26
Scientific American.....	23
Harper's Magazine.....	21
Scribner's Magazine.....	17
Century.....	17
Leslie's.....	14
Technical Journals.....	35

IF THERE is a doubt in anyone's mind that the American business man is thinking and thinking constructively of foreign trade, the doubter need only read the two dozen letters that have come to me in regard to George Ed Smith's article in the January number on "The Penalties of One Way Trade."

Uppermost in the mind of C. F. Lang, president of the Lakewood Engineering Company, is the need of education. He recalls with sorrow that in one of the largest cities in the Middle West the secretary of the Chamber of Commerce asked him not to talk about foreign trade because the members of the Chamber were not interested.

Here is what Mr. Lang writes about overcoming that inertia:

Personally, I am tired of the kind of advertising which is so prevalent, which merely attempts to tell me as a buyer that one manufacturer's goods is better than the other's, when perhaps I am already firmly convinced in my own mind that any one of half a dozen articles is well made and will satisfactorily perform the function for which I require it. I am tired of reading bank's advertisements which merely tell the public that that particular bank advertising has the facilities and the capital to guarantee service and protection to its customers.

The true purpose of advertising should be to increase markets, and the biggest increase in the markets of the United States can be accomplished by teaching the American people as a whole to invest in foreign securities.

Under proper leadership I believe enough donated advertising space could be secured to carry on a campaign of education for the next two years which would revolutionize the thinking of the people of the country on the economics of foreign trade.

THE SAME idea is in the mind of F. O. Whiting, of the export department of the Elgin Motors Company, who says that the

# Completeness

## "SEEING THROUGH THINGS"

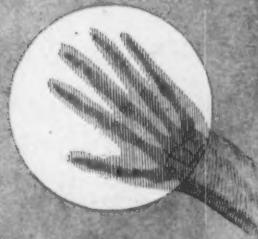
WE are all curious by nature. "What's inside?" is the unconscious query.

To picture the inner workings of machinery often convinces doubting prospects.

ONE man photographs with good intentions; another groups the parts with apparent skill; a third retouches the assembled picture—but who's responsible if an error creeps in? We believe in one responsibility and maintain the equipment to practice it—another proof that we're "Complete."



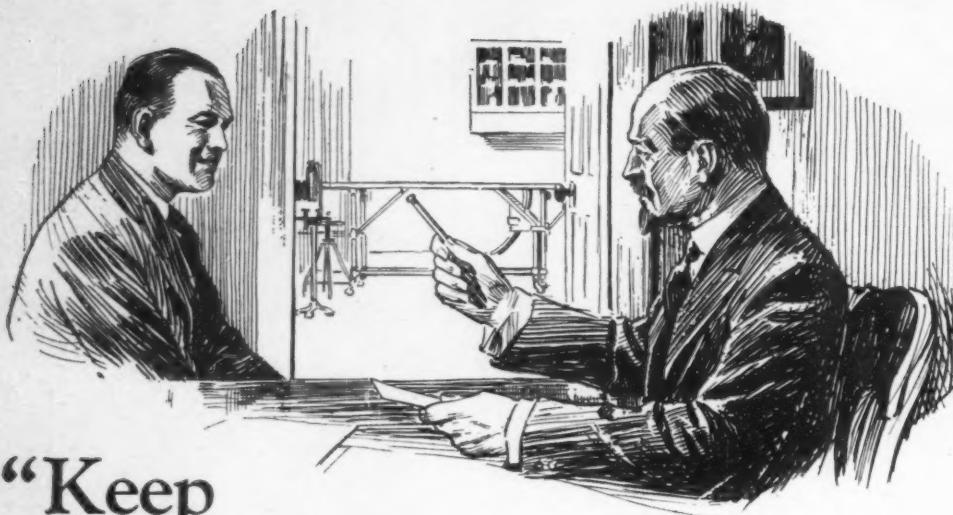
"The Mark of Quality"



## THE MATTHEWS-NORTHRUP WORKS

PLANNERS - DESIGNERS - ENGRAVERS  
PRINTERS - BINDERS

NEW YORK BUFFALO CLEVELAND



## "Keep clean *inside*"

"Scientists have found over 240 varieties of bacteria in the human intestine. They have estimated that the number of bacteria evacuated daily from the human system is one hundred and twenty trillion (120,000,000,000,000).

"Though many of these bacteria are harmless and some even beneficial, there are a countless number which are capable of doing serious harm. If constipation exists, putrefaction follows, with the result that many hitherto harmless strains of bacteria become malignant and produce virulent poisons which are absorbed by the blood and carried to every body cell.

### Dangers of Constipation

"So constipation becomes the root-evil of many serious ailments. It means a continuous poisoning of the entire body, in time leading to high blood-pressure, arterio-sclerosis, liver, bladder and kidney diseases, etc."

### Physicians Prescribe Nujol

To train the bowels to normal, healthy, daily evacuations most physicians recommend Nujol.

Nujol relieves constipation without any unpleasant or weakening effects. It does not upset the stomach, cause nausea or griping, nor interfere with the day's work or play.

Instead of irritating or forcing the system, Nujol simply softens the food waste. This enables the many tiny muscles in the walls of the intestines, contracting and expanding in their normal way, to squeeze the food waste along so that it passes naturally out of the system.

### Prevents Constipation

Nujol actually prevents constipation because it helps Nature maintain easy, thorough bowel evacuation at regular intervals — the healthiest habit in the world.

Nujol is absolutely harmless and pleasant to take. Try it.

**Nujol**  
REG. U.S. PAT. OFF.  
*For Constipation*

Nujol is sold by all druggists in sealed bottles only, bearing the Nujol trade mark.

Mail coupon for booklets "Constipation—Auto Intoxication in Adults" and "Constipation in Advanced Years", to Nujol Laboratories, Standard Oil Co. (New Jersey), Room 715 L, 44 Beaver Street, New York. (In Canada, send to Nujol, 22 St. Francois Xavier Street, Montreal.)

Name.....

Address.....

Smith article is "one of the best ever written," and then adds:

As the war necessitated the Liberty Bond, so the present position of this country necessitates export finance organizations similar to that proposed in Chicago recently, and the same enthusiasm used in the distribution of Liberty Bonds should be used in placing debenture bonds of these finance companies before the public.

No one can keep tariff talk out of foreign trade letters, and Harry H. Willock, secretary and treasurer of the Waverly Oil Company, plunges boldly in:

■ The writer for some years has not been in sympathy with the American Tariff and at this particular time your organization can serve the manufacturing interests of America in an outstanding manner by opposing any tariff increase whatever, and adopting a program which will look towards real free trade in the very near future.

There is little benefit to be derived along any line so long as we force foreign goods to climb our tariff wall when they arrive at our ports.

Here is a paragraph from the letter of Edward Prizer, president of the Vacuum Oil Company, who thinks along the same line as Mr. Willock:

It is an unfortunate thing that there is an impression on the part of some of our representatives at Washington that export and import do not constitute two equal parts of a single problem. Foreign commerce can be established only on the basis of exchange of commodities. There is nothing that can prevent this country becoming the greatest exporting nation of the world, excepting false economics and bad legislation. I confess I look with much apprehension upon proposals to throttle imports, because I know that exports will decline in identically the same proportion as imports are restricted.

A letter from J. C. Lincoln, of the Lincoln Electric Company, notes a change in the mind of manufacturers. He writes us:

It is rather unusual to find a business man who is big enough to take the view of foreign trade that it is actually an interchange of commodities between two countries. If this view is accepted it will of course follow that our protective system is the most effective system of reducing our foreign trade and thereby decreasing the wealth which can be made through foreign trade. It rather looks as if the larger manufacturers of the country are beginning to take the view that there might be such a thing as too much protection. Being a free trader myself for a number of years, I am very glad to notice the rise of this tendency.

"We have been exporting our product for probably forty years," writes John J. McElroy, president of the Howe Scale Company, so his opinion ought to be of value. This is his idea of Mr. Smith's proposal:

Whether the plan suggested by Mr. Smith is practical or can be worked out successfully by which long-term financing abroad may be done, would require considerable thought, but I feel with Mr. Smith that some workable plan must be evolved whereby we can assist our foreign customers to obtain the necessary raw material to enable their plants to give employment to their workmen, producing for their own requirements and exporting to us such excess as we may be able to take.

One more short extract. This time it is from H. C. Lewis, of the National Paper & Type Company:

If necessary we should not hesitate to finance legitimate industrial competing concerns, but we must know that such financing does not directly take from us business which is properly ours. We must avoid being preeminently a banking country, as our industries are equally important. Both can be taken care of in the world's business if the consuming power of other people is developed.

WT.

*The Health Value of*

# CLEAN FLOORS

*in American Business*



Two of the Finnell-equipped mills of the AMERICAN THREAD COMPANY Holyoke, Mass.

where CLEAN FLOORS contribute to the health of employees and the production of a CLEAN product.

Good health, the backbone of efficiency and happiness, depends upon cleanliness. Not only your living conditions, but your working conditions as well, determine the degree of health you enjoy.

Your food, your drink, your clothing, your home surroundings may be zealously guarded along sanitary lines; and yet—

What about that one-third of your time spent at work? Is your office CLEAN? Your store? Your factory?

You may think so. But look at the floors! If they are not CLEAN, your working conditions can not possibly be CLEAN.

The shuffle of feet, the whir of machines, the many other activities—all combine to circulate air laden with the dust and dirt loosened from mopped or hand-scrubbed floors.

The most progressive factories, mills, office buildings, stores, hotels, hospitals and a hundred other kinds of institutions now maintain *really CLEAN FLOORS*. With the Finnell System of Power Scrubbing, the only *thorough* method known, they now remove *all* the dirt from *any kind of floor*—from the very cracks, crevices and pores.

*Write our Chicago offices for particulars*

## AMERICAN SCRUBBING EQUIPMENT CO.

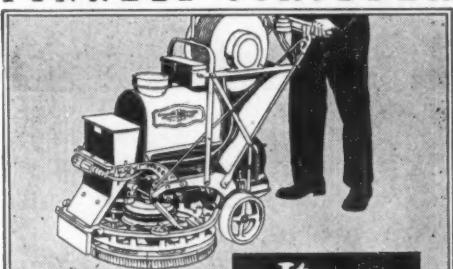
*Also manufacturers of Finola Scouring Powder*

General Offices: 182 N. Wabash Ave., Chicago      Factories: Hannibal, Mo.

DISTRICT OFFICES					
ATLANTA	BUFFALO	DENVER	LOS ANGELES	NEWARK	PHILADELPHIA
BALTIMORE	CHICAGO	DETROIT	LOUISVILLE	NEW ORLEANS	PITTSBURGH
BOSTON	CINCINNATI	INDIANAPOLIS	MILWAUKEE	NEW YORK	PROVIDENCE
	CLEVELAND	KANSAS CITY	MINNEAPOLIS	OMAHA	ST. LOUIS
					SALT LAKE CITY
					SAN FRANCISCO
					SEATTLE

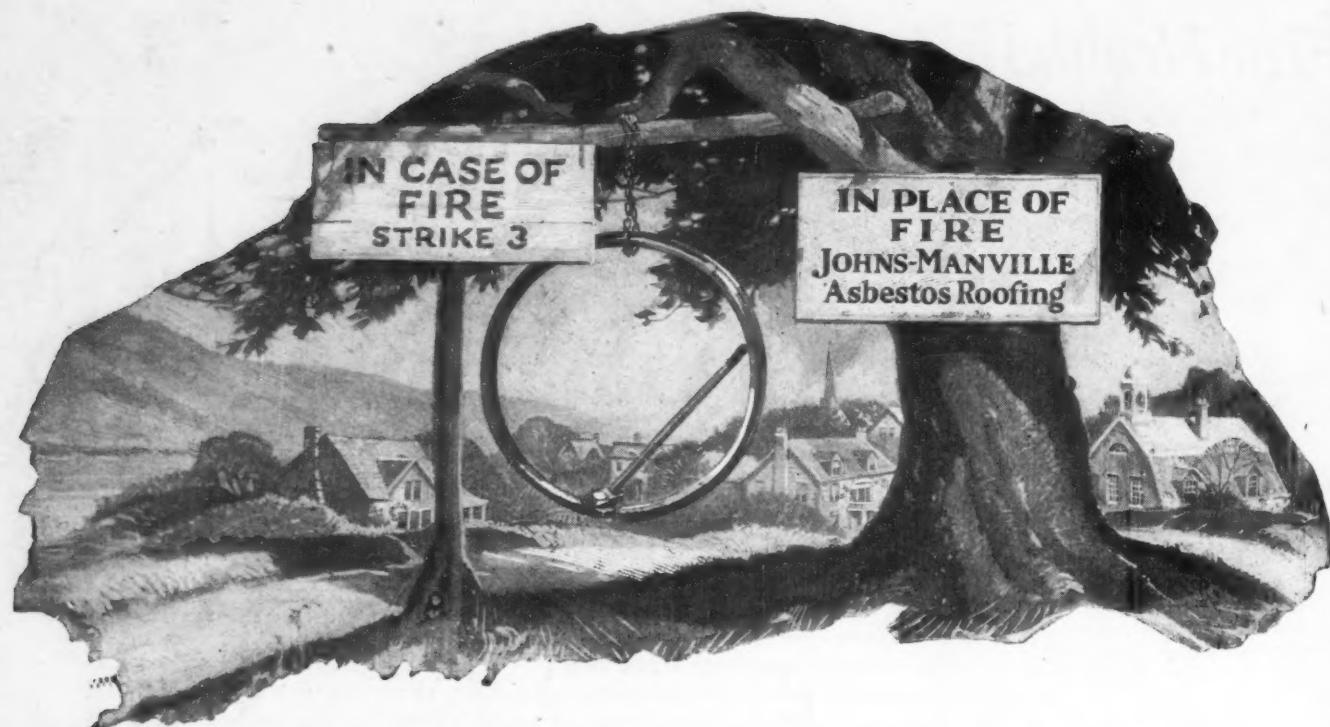
# FINNELL SYSTEM OF POWER SCRUBBING

### FINNELL SCRUBBER



**It  
SCRUBS  
Electrically!**

**"CLEAN FLOORS  
Reflect Clean Business"**



## Look! then write your own title



*The blow torch test proves that there is nothing in Asbestos Roofing to support combustion.*

*Johns-Manville Asbestos Shingles, Colorblende Asbestos Shingles, Asbestos Built-up Roofing for flat roofs, Asbestos Ready to Lay Roofing in roll form, Asbestos Corrugated Roofing.*

THE siren scream on city street or the pound of hammer on the rural engine tire—both shout the same warning to all building owners "Look out for flying embers on your roof" for every roof within earshot is in immediate danger—and even those that are well out of hearing are still within the fire circle once a fanned ember gets into the upper air currents. Jumps of one, two and even three miles are given in the fire records. So that the roof-communicated fire does not depend on the adjoining property for fodder. In the Atlanta Conflagration three widely separated fire centers were noted shortly after the initial blaze—roof-communicated all; and \$5,500,000 was the charge that the National Board of Fire Underwriters made against the inflammable roof in this one fire.

Thus the urge for fire-safe roofing

is a very real one because every house is all roof to the fire-brand—make the roof all-mineral—with Johns-Manville Asbestos—and this big cause of conflagrations is killed right there.

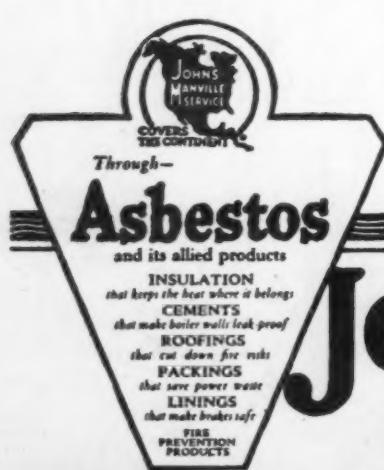
By making Asbestos roofing for all types of buildings, Johns-Manville has given you not only insurance against the communicated fire but rock resistance to all the elements that destroy roofing—so that a Johns-Manville Asbestos roofing put on your building today not only satisfies all roofing requirements for the life of the building, but it is your insurance against the day when legislation demands that your roof be made fire-safe. Your first cost for a Johns-Manville Asbestos Roof is your only cost.

Johns-Manville Asbestos Roofings are approved by the Underwriters' Laboratories Inc., and take base rate of insurance.

JOHNS-MANVILLE, Inc., Madison Ave., at 41st St., New York City

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## Serves in Conservation